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DIRECTIONS FOR THE DANCE
IN CANADA

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A study conducted by
McKinsey and Company, Inc.,
Management Consultants.

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DIRECTIONS FOR THE DANCE IN CANADA

A study on the future development, management
and funding of Canada's dance companies and dance schools,
conducted by McKinsey and Company, Inc.,
Management Consultants.

APRIL 1973

Published and distributed by
Canada Council Information Services
P.O. Box 1047, Ottawa, Ontario
K1P 5V8

FOREWORD

This study was conducted for the Canada Council by McKinsey and Company, Inc., management consultants. Though the authors received full cooperation from the Canada Council staff, their conclusions and recommendations are their own and do not necessarily coincide with the views of the Council. The Council feels, however, that the study should be of interest to persons concerned with the well-being of the dance in Canada, and hopes that its publication will stimulate discussion on this subject.

Reference is made in the report to a survey on leisure time activities, conducted by the Department of the Secretary of State in cooperation with Statistics Canada. It should be noted that the figures quoted from this survey were based on preliminary results and are subject to substantial amendment in the final report, to be released by the Department of the Secretary of State in March, 1973.

André Fortier,
Director,
Canada Council.

McKinsey & Company, Inc.

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October 5, 1972

Mr. André Fortier
Director
The Canada Council
Ottawa, Ontario K1P 5V8

Dear Mr. Fortier:

With this letter we submit our report, Directions for the Dance in Canada, which summarizes the principal findings and conclusions of our recent study of this performing art. As you know, we have already discussed our findings with key officers of the Council in several progress reviews during the course of the study. And we have also had the opportunity to discuss emerging conclusions and key issues with members of the dance world, both at the 3-day national Conference on the Dance held in August in Ottawa, and in a series of individual meetings with the managements of dance companies on their own premises.

In this letter we outline the background, objectives, and scope of the study, describe how we proceeded, and summarize our major findings and conclusions.

Study Background

This study is only one part of an ongoing effort by government authorities to upgrade the impact of cultural activities on the quality of life in Canada. During the past several years, the Secretary of State's Department and the Canada Council have been leading a concerted effort to spell out and clarify a set of overall cultural policy orientation guidelines for Canada, and to rationalize the basis upon which public funds are allocated to the cultural sector. These efforts were crowned by a series of imaginative, aggressive, and well-funded programs to restore the health and enhance the impact of Canadian accomplishments and resources in the area of the film, museums, and publishing.

As the second major thrust in this broad effort, the Canada Council, working with the Secretary of State's Department, has undertaken a program to build a stronger case for the performing arts. This project includes a "state of the nation"

assessment of the current status and major problems and challenges facing each of the performing arts in Canada. A range of studies dealing with the performing arts in total has also been commissioned. For example, one study was designed to develop basic data on patronage and attendance patterns; another dealt with the need for and best method of setting up a performing arts touring office; and a third study sought to develop more objective methods for determining the overall cultural and economic impact of three of Canada's major arts organizations. Our study was an assessment of the dance.

Within the overall performing arts context, the dance presented the Council with some particularly demanding issues. The dance appears to be the least developed (in terms of audience development) of the performing arts, but also the fastest growing. In 1970, when annual subsidy to the dance had climbed over \$1 million, the Council established a separate program officer for the dance. But there was little organized factual knowledge about the specific problems and opportunities facing the dance in Canada. Thus the Canada Council was inadequately armed to deal with a wide range of complex issues relating to the overall direction that the dance should take in Canada and to the nature of the supportive role that the Council should play.

Objectives and Scope of the Study

The basic objective of this study was to provide the Canada Council with a more factual and systematic basis for coming to grips with a host of pressing policy and program issues relative to the future development, management, and funding of the nation's ballet and modern dance companies and dance schools. This overall objective involved two subsidiary and related objectives:

- ¶ Ensuring a successful national conference of dance world artistic and administrative managements as a vehicle for gathering the insights and views of the people most concerned with the dance in Canada.
- ¶ Synthesizing the conclusions of the conference and the results of parallel research and fact finding into a coherent and actionable framework for dealing with the issues and launching appropriate programs.

We have focused the bulk of our efforts on the professional dance world in recognition both of the Council's current priorities and also because of the leadership role played by professionals in establishing direction for the dance in Canada. We therefore dealt with the amateur sector when issues of development in that sector were germane to the professional dance.

Approach to The Study

In seeking the facts and the data necessary to establish findings and conclusions, we drew on sources of information both inside and outside the Council. This involved:

1. Establishing a list of major issues facing the dance world in a series of work sessions with the Dance Officer and the Financial Officer of the Canada Council, and with dance people in the field.
2. Working with the Dance Officer and the Conference Chairman, Jean Roberts, to arrange the format and contents of the 3-day national Conference on the Dance which was held in Ottawa in early August. This step included the preparation of an extensive issue-oriented working paper which was distributed to conference participants in advance to help ensure productive and forward-moving discussions.
3. Carrying out analysis and synthesis of the conference proceedings, including review of the taped record.
4. Interviewing the artistic and administrative management of each of the professional dance companies, in most cases at the site of their activities. Additional interviews were held with a cross section of people in the public sector directly involved in the arts.
5. Utilizing our internal research and library resources. This also included collaboration with those of our American and European offices with relevant experience or data to offer.

The findings and conclusions presented in this report thus reflect the results of approximately 8 weeks' worth of inputs from the above sources.

Limitations on Our Work

Circumstances and timing imposed limitations on our work in two areas: the artistic aspect and specific action recommendations.

Although our team included a consultant who had had prior experience as a professional dancer and teacher of the dance, we do not pretend to any expertise in assessing the companies' artistic merits and potential. In this sense, our report is quite different from prior artistic reports on the dance. Thus our report, which deals primarily with economic and management issues, should be

taken as complementary to the artistic reports. In addition, on the basis of our prior experience in wrestling with problems in the artistic and cultural area, we are only too aware of the potential for conflict between the concepts of management efficiency and artistic freedom. Subjective judgment and artistic intuition must remain paramount when one is dealing with the substance of artistic activity. We fully recognize that quantitative analysis and management disciplines can at best only serve as a framework and a tool at the service of the qualitative and the artistic.

Several factors also made it evident that it would be unwise and premature to attempt to develop comprehensive and specific action and program recommendations on the basis of this study. To begin with, as the Council is only too well aware, the performing arts are undernourished not only in dollars but also in solid information for use in decision making. Accordingly, the search for and development of facts and information had some limitations and occupied a much higher proportion of the available time than was originally planned. Another critical lack was the absence of a set of specific policy guidelines for the dance at the national level, matched by equivalent lack of a specific sense of individual mission and priorities on the part of some of the companies. In the absence of such fundamental guidelines and criteria, we feel that a comprehensive set of specific program recommendations for individual dance companies would be at best presumptuous and at worst totally irrelevant. However, in recognition of practical needs, we have attempted to develop specific recommendations for the world of the dance in general wherever judged possible.

Accordingly, we shaped our efforts on this study along two lines: First, we set out to develop a systematic means of analyzing the dance, one which would point out the dance's particular needs while at the same time allowing for the obvious fact that the dance must be viewed in a larger cultural context. Second, with this systematic approach to analysis in hand, we completed an intensive review of the dance to identify its major problems and opportunities. These efforts resulted in two types of end products:

- ¶ A more rational and professional framework for coping with the challenging task of policy analysis and planning, and program planning and control for the dance and, by implication, for the other performing arts.
- ¶ Results of the systematic analysis expressed in terms of the dance's basic needs and alternative courses of action.

Summary of Findings And Conclusions

Not surprisingly, the two main challenges facing the dance in Canada are, first, to cope more effectively with a steadily increasing income gap and, second, to become more effective in the job of building an audience from today's small base. These two challenges, in turn, imply a third - to strengthen the management capabilities of the dance companies and the Council to help cope with them. The specific findings that demonstrate the dimensions of the job at hand are presented in the body of the report. In summary:

1. The income gap. The basic challenge is to bridge the growing income gap and to facilitate continued growth of the dance in Canada. The dance's gap averaged 54 percent during the period 1966 to 1971 and totaled \$1.8 million. The gap is unlikely to decline in proportion and will doubtless increase significantly in dollar terms, posing a serious challenge to subsidizing agencies. We are persuaded, therefore, that an urgent need for action exists and that the sustaining impetus should come from the bottom up. Dance companies expect and want to chart their own courses. But the Canada Council will have an increasingly important role to play as both advocate and supporter. As for the companies, they must act both to improve their organizations and management processes, and to upgrade their "marketing" capabilities.
2. The audience building job. The root problem is a relative lack of primary demand, and this is a problem common to the performing arts in general. The challenge thus becomes one of stimulating wider appreciation of the dance. Efforts to build audiences must be carried out at two levels. First, attempts must be made to bring dance more into the public's day-to-day experience through such means as dance programs in schools, films on dance, and TV shows. Second, ways must be found to improve the supply and distribution of dance as increased supply is a prerequisite for building audiences and creating demand. There will thus be a continuing need for the artistic and administrative management of the dance companies to work closely together in planning repertoire and programming to ensure a realistic balance of artistic aspirations with the needs and demands of the marketplace.
3. The management job. It seems clear that if the economic and audience development challenges are to be met successfully in the seventies, management effectiveness will have to be improved. At present, the dance companies are not, typically, especially well organized or

managed. As for the Council, the added strain which lies ahead will also place an increasing premium on its management effectiveness. Artistic excellence will remain a paramount goal, but the Council and the companies will have to work together to improve their management machinery so that this goal can be pursued with less frustration and diversion due to administrative problems. Specifically, at this point in the dance's development, three major areas of improvement are indicated:

- The Council should take the initiative in developing a specific set of policy guidelines for the dance based on the existing set of national cultural policy orientation guidelines.
- The Council will need to adapt its own organization structure and resources to cope with the already foreseeable explosion in the nature and extent of the work load. Dance companies must strengthen their organizations to cope more effectively with the economic and audience building tasks.
- The Council and company managements will have to refine and improve their respective planning processes to free themselves from the tyranny of the current reactive, year-to-year survival cycle.

* * *

Most of our work deals with improving the economic efficiency of large organizations in the private sector. If one accepts the proposition that economic activity is but the means to the end of a higher quality of life, then most of our work deals with means rather than ends. This study has given us a unique opportunity to work at the other end of the chain - to deal with issues and problems concerning the quality of life. We find it, therefore, both ironic and regrettable that people who have chosen to devote their lives and careers to the pursuit of artistic activity are considerably more hampered by a lack of appropriate management tools and processes than are people in the private economic sector and other parts of the public sector. Thus, the efforts of the Canada Council and the Secretary of State's Department to close the gap are to be commended and encouraged.

Speaking for the dance, it is to be hoped that Maurice Béjart's often quoted prediction will indeed be fulfilled: "The eighteenth century belonged to theatre, the nineteenth to music, but the twentieth century belongs to dance".

For our part, we have found this to be not only an intensely stimulating experience but also very rewarding in a personal sense. We wish in particular to express our appreciation for the full-hearted cooperation and ready candor extended throughout our study by the officers of the Canada Council, and the managers and artists among Canada's dance companies.

Respectfully submitted,

McKinsey & Co. Inc.

DIRECTIONS FOR THE DANCE IN CANADA

CANADA COUNCIL

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1 - PERSPECTIVES ON THE DANCE SCENE IN CANADA

An effort to define appropriate direction for the dance in Canada should properly begin with a descriptive review of the present dance scene. This brief positioning chapter thus is intended to provide, in summary fashion, basic information needed for a proper perspective on Canadian dance. It does so by describing the scope of dance activity in Canada, and by describing patterns of subsidy to the dance.

One basic distinction should be made at the very outset. Two basic sectors exist in the dance world, the professional and the amateur:

- ¶ Professional activity is defined (by the Council) as that in which the participants make their living. Professional dance has three categories: ballet, modern, and folk. Some professional companies operate schools.
- ¶ Amateur activity is basically everything else. A distinction should be made between amateur performances for audience entertainment and simple participatory amateur activity such as square dancing.

Our focus throughout this report will be on the professional dance world. This is in recognition both of the Council's current priorities and also, of the leadership role played by professionals in establishing direction for the dance in Canada. Within the professional area, we will focus on the ballet and modern companies. There is only one professional folk dance company, the Feux Follets, and its problems and opportunities are at this moment rather unique. However, references to amateur activity will be made when germane to a larger issue. For example, the nature of the relationship between amateur dance activity and professional dance audience development will be discussed in Chapter 3.

THE SCOPE OF DANCE ACTIVITY IN CANADA

There are currently 15 professional dance companies in Canada - 5 ballet, 9 modern, and 1 folk. Exhibit 1 lists the companies, their key management personnel, and data, where available, on annual budget size. The companies are scattered across the country, with the major ones centered in Winnipeg, Toronto, and Montreal. A map at the end of this chapter shows the location of Canada's dance companies. Each company has its own characteristics; nonetheless, some generalization is possible. For instance, the ballet companies tend to be older, larger, and more solidly established. As an example, the Royal Winnipeg Ballet, Canada's oldest professional dance company, was founded in 1938. And the

National Ballet Guild celebrated its twentieth anniversary this past season. The modern companies on the other hand, tend to be younger, smaller (most have fewer than 10 full-time dancers), and more fluid in personnel and situation. As an example, the Toronto Dance Theatre was founded in Spring 1968. Although the modern companies outnumber the ballet (nine compared to five), only two modern companies have a budget in excess of \$100, 000 (Toronto Dance Theatre and Winnipeg's Contemporary Dancers). The remainder are fledgling and/or low-budget enterprises.

Dance activity in Canada has increased dramatically in recent years. As Table 1 shows, the number of performances for four major companies (The National Ballet, Royal Winnipeg Ballet, Grands Ballets Canadiens, Feux Follets) rose to 661 in 1970/71, a 67-percent increase in the 4 years since 1966/67 (earliest year for which data are available). By contrast, theatre performances increased 27 percent, and music 14 percent; while opera actually declined 29 percent.

Table 1
Number of Performances: 1970/71 Versus 1966/67

	<u>Dance</u>	<u>Theatre</u>	<u>Music</u>	<u>Opera</u>
1966/67	395	3,826	654	201
1970/71	661	4,851	746	143
Percent change	+67	+27	+14	-29

Source: Canada Council (data for Council-supported organizations only).

Finally, Table 2 (on next page) adds perspective by comparing a ballet and a modern dance company to the major company from each of the other performing arts. Data provided are for 1970/71 and show a comparison of the companies' annual budgets, the length of their seasons, and the audience they attract. By these measures, the National Ballet stands out as a major organization, although relatively limited that year in the length of its season. By contrast, modern companies are more limited in terms of budget, length of season, and audience reach, as indicated by the relatively more limited scope of Winnipeg's Contemporary Dancers' activity.

Table 2Comparison of Budgets, Season, and Attendance: 1970/71

	Dance				
	National Ballet	Contemporary Dancers	Opera: COC	Theatre: Stratford	Music: MSO
Budget (\$000)	1,421	100	1,324	3,058	2,058
Length of season (weeks)	36	27	24	45	44
Attendance (000)	157	10	162	456	294

DANCE SUBSIDY PATTERNS

In this section, we provide a summary view of the Council's overall subsidy pattern to the arts in general, and the dance in particular. The subject of subsidy to the dance is explored in detail from the individual organization's point of view in Chapter 2. The Council provides subsidy to the arts, humanities, and social sciences, both to organizations and individuals. Table 3 shows basic data on the trends in subsidy to the arts in the period 1964/65 through 1970/71.

Table 3Patterns of Canada Council Subsidy: 1964/65 to 1970/71

Subsidy	Arts			Performing Arts			
	Performing	Non-Performing	Total	Theatre	Music	Dance	Opera
				\$000	\$000	\$000	\$000
1964/65	1,080	420	1,500	345	420	210	105
1970/71	7,576	2,802	10,378	3,217	2,491	1,245	623
		%				%	
1964/65	72	28	100	32	39	19	10
1970/71	73	27	100	43	33	16	8

Source: Canada Council

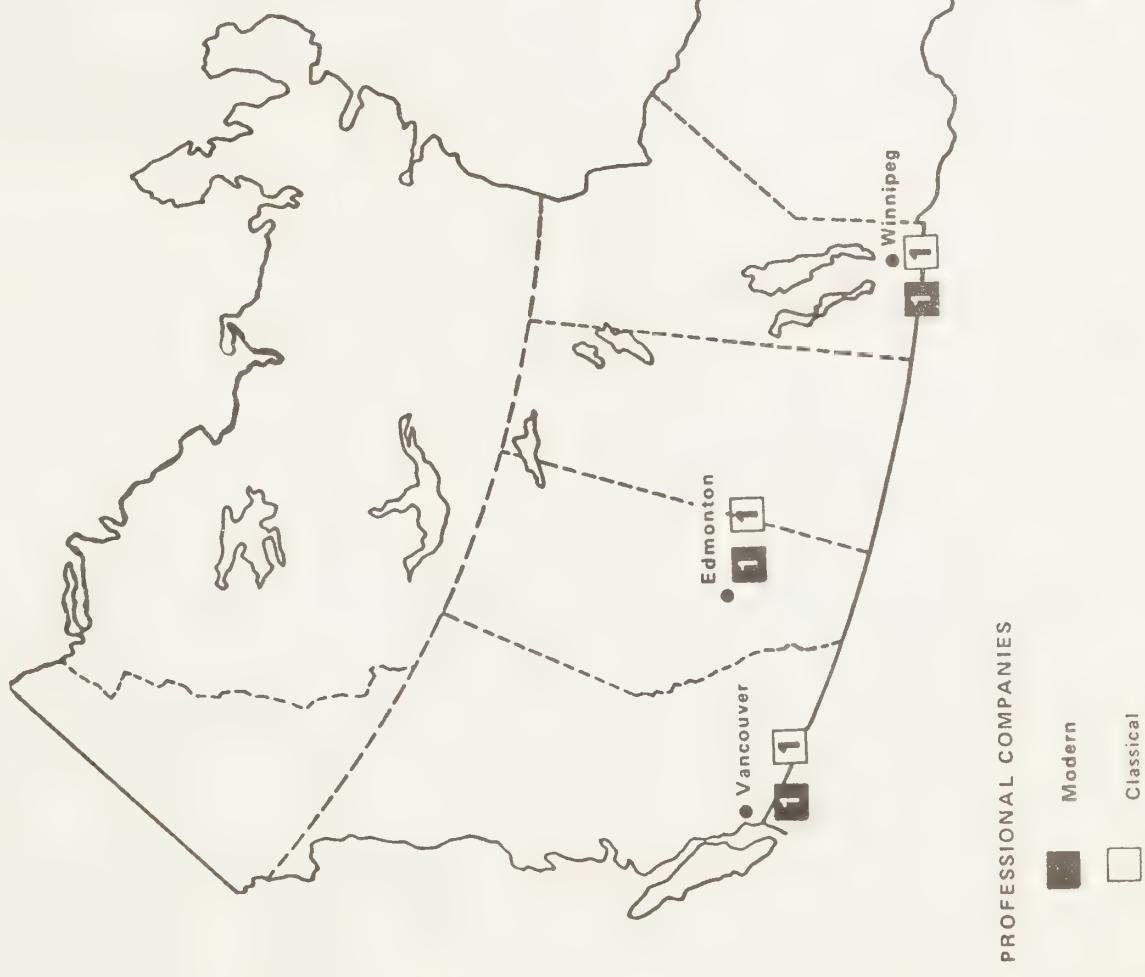
Total Canada Council subsidy to the arts increased from \$1.5 million in 1964/65 to \$10.4 million by 1970/71, a sevenfold increase in 6 years. The funds have been divided consistently over the 6 years, with the performing arts receiving about three quarters (72 to 73 percent), and the non-performing arts the remaining quarter. Comparing subsidy levels among the performing arts, the data show theatre ranked first among the performing arts (43 percent of total in 1970/71), having taken the lead from music (33 percent); followed by dance (16 percent), and opera (8 percent).

Finally, the division of subsidy between individuals and organizations is interesting. Subsidy in the humanities and social sciences goes predominantly to individuals, while subsidy in the arts goes predominantly to organizations. For example, in the 4-year period 1967/68 to 1970/71, fully 98 percent of the subsidy dollars expended on the dance went to organizations. Of this organizational allotment, 87 percent went to ballet organizations (three major companies and the National Ballet School), 11 percent to the Feux Follets, and the remaining 2 percent to modern companies.

* * *

This chapter has presented a summary view of the professional dance scene in Canada. Chapters 2 and 3 deal with the major challenges facing the dance world: the economic dilemma and the need for audience development. The last chapter develops the implications for the Canada Council in face of these challenges.

THE AVAILABILITY OF DANCE COMPARES UNFAVORABLY TO OTHER PERFORMING ARTS



DISTRIBUTION OF PERFORMING ARTS COMPANIES *						
	B.C.	Prairies	Ontario	Quebec	Atlantic	Total
Dance	2	4	3	5	1	15
Music	3	6	5	5	1	20
Opera	1	1	1	1	0	4
Theatre	3	5	14	18	4	44
Organization (%)	11	20	28	35	6	100
Population (%)	10	16	36	28	10	100

* - Figures show all professional dance companies, but only Council-supported music, opera and theatre companies

2 - MEETING THE ECONOMIC CHALLENGE

FOR THE SEVENTIES

Performing arts organizations are unique: they are in the commercial world but not fully of it. Arts organizations typically are engaged in primary pursuit of artistic goals. Conventional commercial enterprises, on the other hand, typically pursue long-term profitability goals. But arts organizations operate, of course, in an economic world and are ultimately bound by equally real economic constraints even though emphases differ. That is, they typically seek the highest in artistic achievement while breaking even financially - this is then, the challenge to all performing arts organizations.

The economic challenge is universal and rooted in a sort of "iron law" of performing arts economics: the "income gap" is an inherent and persistent fact of life (Exhibit 2). The gap has been explored in concept and detail by economists such as Baumol and Bowen in their book Performing Arts: The Economic Dilemma, and, closer to home, by Professor Bladen. Virtually all performing arts organizations face the same cruel dilemma in Canada as total costs substantially exceed earned income. And costs have increased faster over time than revenue, making a bad situation even worse. The few numbers in Table 1 tell the story (see Exhibit 3 for more detail).

Table 1

Average Income Gap: 1966/67 to 1970/71

	<u>Average</u>	<u>Music</u>	<u>Dance</u>	<u>Opera</u>	<u>Theatre</u>
% Gap	49	53	54	43	44

Source: Canada Council

The Canadian performing arts' income gap is presently substantial and will predictably continue to grow in the future, both relatively and absolutely. Estimations of the probable size of the gap in the future will depend, of course, on a variety of assumptions regarding the number of companies, the growth rates of their basic costs and revenues, and the scale of their activities. The Council has commissioned a separate study to look into future financial patterns. For purposes of illustration in this report, we have developed two scenarios to examine the financial implications for:

- ¶ A 29-organization group, comprising performing arts groups receiving Council support each year since 1966/67.

¶ A 38-organization group, those receiving Council support in 1970/71.

The total income gap for the 29-organization group was \$9.9 million in 1970/71. If we assume their past cost and revenue growth trends are continued through the next decade, the total income gap will grow alarmingly, reaching \$17.6 million by 1974/75 and fully \$35.7 million by 1979/80. Obviously, this trend poses a very serious challenge to subsidizing agencies, as Table 2 illustrates (and Exhibits 4 and 4a show in more detail).

Table 2

Projected Growth in 29 Organizations' Income Gap (\$ Millions)			
	1970/71	1974/75	1979/80
Operating revenue	10.5	17.1	31.7
Income gap*	9.9	17.6	35.7
<hr/>			
Subsidy agencies:			
- Private	2.3	4.2	8.6
- Canada Council	4.8	8.5	17.1
- Provincial	2.0	3.5	7.1
- Municipal	0.8	1.4	2.9

* - Equals amount required to break even.

The larger sample of 38 performing arts organizations was examined using more conservative revenue and cost growth rate assumptions. The total income gap challenge lessens somewhat, but not very much. Table 3 shows an income gap of \$11.5 million in 1970/71, increasing to \$18.8 million by 1974/75, and \$32.9 million by 1979/80 (complete details in Exhibits 5 and 5a).

Table 3

Projected Growth in 38 Organizations' Income Gap (\$ Millions)			
	1970/71	1974/75	1979/80
Operating revenue	11.6	13.7	16.8
Income gap	11.5	18.8	32.9
<hr/>			
- Private	2.6	4.3	7.6
- Canada Council	5.6	9.0	15.8
- Provincial	2.4	3.9	6.9
- Municipal	0.9	1.5	2.6

Dance faces a similar economic challenge. The income gap for the three major ballet companies (whose operating budgets have up to now constituted the lion's share of total dance) was \$1.8 million in 1970/71 and would grow if current trends continue to \$2.5 million in 1974/75, and more than double to \$3.7 million by 1979/80 (Exhibits 6 and 6a provide detail). Adding estimates for the Toronto Dance Theatre, the Contemporary Dancers, and the Alberta Ballet Company, and using the more conservative revenue and cost growth rate of our second scenario, we project the gap to \$3.2 million in 1974/75, and \$5.5 million in 1979/80 (detail in Exhibits 7 and 7a).

To help explore the anatomy of the income gap, we analyzed the economics of the dance in a systematic way (see Exhibit 8). The results of this economic analysis are reported in two sections:

I Identifying major economic problems and opportunities

II Taking action to meet the economic challenge.

**IDENTIFYING MAJOR
ECONOMIC PROBLEMS
AND OPPORTUNITIES**

Each professional dance company in Canada, whether large or small, faces a pretty grim operating economics picture indeed. The large ballet companies just make ends meet, while the smaller modern companies often exist on a hand-to-mouth basis. Both types of company, interestingly enough, are faced with basically similar overall operating economics, as the following table shows (detail shown in Exhibit 9).

Table 4
Percent Distribution of Total Costs and Revenues

	Costs		Revenues		
	Salaries	Other	Earned	Public	Other
Ballet	55	45	49	38	13
Modern	55	45	46	36	18

Our analysis revealed that attempting to control costs and maximize revenues presents both significant opportunities and major problems to dance companies.

**Coping with
Rising Costs**

The challenge in the cost area lies in the basic nature of performing arts activity. In a way, all major costs are variable until the company management

decides to do something - say, to produce Jeu de Cartes. Thereafter, the costs become more or less fixed: dancers are assigned, production support marshalled, and so on. And costs are accounted for, insofar as is possible, on an individual production basis. Each production becomes a profit- or more accurately, a loss-centre. So, assuming management and its board settle on artistic undertakings that are reasonably consistent with the company's operating economics, the real challenge becomes one of controlling costs, of keeping costs within the agreed budget. Put another way, companies must strive to live within their means.

The nature of this challenge is best developed by examining some of the major cost categories. (Table 5 shows the distribution of major costs for typical ballet and modern companies.)

Table 5

Distribution of Major Costs - 1970/71 (Percent)

	<u>Salaries</u>	<u>Theatre</u>	<u>Production</u>	<u>Publicity</u>
Ballet	55	22	16	7
Modern	55	29	9	7

1. Salaries account for over half of dance companies' budgets (Exhibit 9) with no significant prospects for downward leverage without a reduction in the already limited scope of activities and the risk of damaging artistic quality. For example, few companies plan reductions in the controllable variables that comprise the salary bill - number of performers and length of season. The unionized companies have little control over the wage rate which is unlikely to decrease. And improvement in productivity is not likely: it takes the same amount of time to perform Swan Lake today as in 1900 (although rehearsal time has presumably been drastically cut back for cost reasons).

In fact, there is a compelling case for increasing salaries. Dancers are very poorly paid (see Exhibit 10 for complete details). The average employed person in Canada during 1971 earned \$6,400. The average ballet dancer earns about \$5,400 annually, more than 15 percent below the average. Even worse, the average modern dancer earns only \$2,500, only marginally above the Senate Committee's 1969 individual poverty line definition. The low remuneration of society's artists is a problem in most countries; as Lord Goodman, Chairman of the Arts Council of Great Britain, lamented in his outgoing remarks in 1971:

"We have been, perhaps, most remiss in our failure to improve the living conditions of the creative and performing artist. The creative artist - even with the necessary resources - presents the most difficult

problem. He does not want to be feather-bedded by the Arts Council. He needs to live in and describe, with his own special talent, the world as it is and not some artificial creation of a benevolent patronage. But this does not relieve us of our duty to ensure that those individuals who have contributed most to the quality of society should receive adequate recognition and adequate protection."

2. Production costs are a major component (Exhibit 9), requiring careful control since they are perhaps more susceptible to overrun than other more predictable cost components. Ballet companies, of course, have proportionately higher costs for sets and costumes, given the often elaborate nature of their productions. On the other hand, modern companies more often perform in austere settings. Ironically, use of recorded music and the sparer sets is not always a matter of choice; the first priority is paying the dancers, and production budget is very often made up of what is left.

3. Touring costs present a formidable problem to Canadian professional dance companies. The paradox is that touring is essential for increasing the audience base, expanding revenues, and for lengthening the season; but the incremental costs associated with touring exceed the revenue gains.

Touring will always be more expensive than performing at home. This is explained by:

- Additional salary costs, in the form of a per diem allowance
- A new cost category: transportation
- Added administrative costs incurred in arranging the tour
- The cost of promoting and publicizing the company in a new region.

The incremental costs associated with touring will necessarily be greater the further the company travels. This is due to higher transportation and administrative costs. Table 6 compares 1-week tours by a ballet and a modern company to two major cities, one 200 miles distant and the other 2,000 miles away. There is a significant spread between the estimated incremental touring costs. (Exhibit 11 documents the assumptions behind the calculations.)

Table 6Estimated Incremental Cost Per Tour Performance (\$)

<u>200 Miles Away</u>		<u>2,000 Miles Away</u>	
<u>Ballet</u>	<u>Modern</u>	<u>Ballet</u>	<u>Modern</u>
3,700	600	6,200	1,000

Table 6 above also serves to highlight the difference in costs between a modern company and a large ballet company. Touring is more expensive for the ballet company because:

- More people are involved at a higher per diem allowance
- Transportation costs are greater because more people are involved, and there are more people, sets, and props to be moved
- Publicity and promotion costs are frequently higher.

One good way to reduce touring's heavy incremental cost burden is to lengthen the tour; that is, spend longer in the distant city, or visit cities en route. Table 7 shows that incremental costs per tour performance fall if the stay in the tour city is stretched out. (Exhibits 12 and 13 show the details of the calculations.)

Table 7Incremental Cost Per Tour Performance (\$)

	<u>200 Miles</u>			<u>2,000 Miles</u>		
	<u>1 Week</u>	<u>2 Weeks</u>	<u>3 Weeks</u>	<u>1 Week</u>	<u>2 Weeks</u>	<u>3 Weeks</u>
Ballet	3,700	2,700	2,400	6,200	4,000	3,200
Modern	600	400	300	1,000	600	400

Despite the unrewarding economics, most dance companies must spend more time touring than performing at home. Touring is essential to economic survival. In fact, as Table 8 shows, dance companies are away from home far more often than those in any performing arts, except opera.

Table 8Tour Performances as Percent of Total: 1970/71

	Dance					
	NBC	RWB	GBC	Music	Theatre	Opera
Tour %	60	76	52	17	37	70

Touring is generally viewed by dance professionals with mixed feelings. On the plus side, touring will strengthen a company both within (building discipline and maturity), and without (improving reputation and demand). On the negative side, touring is very costly, as we have seen. And it is especially tough for small companies to put together worthwhile tours since they are often largely unknown outside their home base; and they lack the needed impresario skills and confidence to do a good job. There is a clear need indicated for both financial and developmental assistance in the touring area.

4. Taxes are a particularly ironic cost element for performing arts companies. The irony is that the direct and indirect taxes collected by all governments from the dance companies in some cases exceed the subsidies they extend. This sort of giving with the right hand and taking away with the left is widely held to be, to say the least, inefficient (especially given the hidden but very real administrative costs associated with the collection and distribution of tax funds). The view that direct taxes are a legitimate and desirable "return on the subsidy investment", is at best naive; and, at worst, misleading since it constitutes a specious basis for subsidy policy and program decision making. Should the company that returns a higher percentage of its subsidy to the government than any other company be rewarded with a higher subsidy; or should it be warned to stretch its money further?

The figures in Table 9 provided by the Grands Ballets Canadiens dramatize the tax bite. Only 57 cents is left out of each dollar subsidy to company management after direct taxes.

Table 9Grands Ballets Canadiens: Subsidy and Taxes in 1971/72 (\$000)

	Federal	Provincial	Municipal	Total
Total subsidy	212	115	50	377
Taxes	61	80	19	160
Net remaining	151	35	31	217
(% of total)	(71)	(32)	(62)	(57)

In its recent Brief on Taxation and the Arts, the Council outlined its position on the role of tax policy in facilitating performances arts' activity. Broadly speaking, the brief calls for tax reform, both to reduce the burden on performing arts companies and to encourage higher levels of private subsidy.

5. Theatre costs cannot be directly controlled by dance companies. Each has to rent the facilities to perform in; and the cost, of course, is controlled by the facilities' management. Canadian theatre management obviously has its own set of economic problems. Nonetheless, the current rental structure cuts sharply into big company earned revenues; and makes it simply impossible for smaller companies to use many halls. Costs at the St. Lawrence Centre in Toronto, for example, are such that the Toronto Dance Theatre can afford only 1-day's in-house rehearsal before opening their fall season.

Maximizing The Revenues

An analysis of the problems and prospects in the revenue area logically begins with a look at the sources of funds. Table 10 shows that in the period 1966/67 to 1970/71 operating revenue contributed 47 percent of dance's revenue, somewhat below the 53-percent average for all performing arts. Public subsidy accounted for 38 percent, versus 34 percent. The balance was obtained from private donations. (Exhibits 14 and 15 show detail for each performing art.)

Table 10
Sources of Funds - Average 1966/67 to 1970/71 (Percent)

	<u>Operating Revenue</u>	<u>Public Subsidy</u>			
		<u>Council</u>	<u>Provincial</u>	<u>Municipal</u>	<u>Other</u>
Dance	47	24	9	5	15
All performing arts	53	21	9	4	13

These data underline another essential difference between performing arts and commercial enterprise: dance companies are dependent for over half of their revenues on sources outside the immediate range of the producer-consumer transaction. Put another way, a manufacturer of dancers' supplies derives all his revenue from the sale of those supplies. But a dance company derives just short of half its revenue from sale of its dance "product". This essential difference has special implications for a dance company's organization and management.

The results of our revenue analysis are most usefully discussed separately for each main revenue component.

1. Box Office revenue increases cannot realistically be expected to lessen the income gap by any significant amount. To reach this conclusion, we experimented with the revenue variables (i.e., percent sellout, ticket price, number of performances) to discover the income gap sensitivities. For example, Table 11 shows that a 15-percentage point increase in dance companies' sellout (from an estimated average 65 percent to 80 percent) would reduce the gap only 9 percent, from 54 percent to 43 percent. (See Exhibit 16 for details.)

Table 11

If you increased	... sellout 15%	... ticket prices 10%	... No. of Home Performances 10%
Gap would fall from 54% to	43%	48%	50%

The feasibility of these increases is doubtful. Companies are typically performing as often as possible at home. More performances might reduce audiences per performance without increasing total audience markedly. And tour performances are very costly, as we have seen. Moreover, ticket prices are already quite high and administrators are often reluctant to increase prices for fear of reducing sellout; and because they are concerned that higher prices may make attendance too costly for certain audience segments.

2. Grants are, of course, vitally important to each performing art. They covered 38 percent of the dance's total expenses in the 1966 to 1971 period. Among the performing arts, dance ranked third in average cost per performance (\$9,500) in 1970/71 (Exhibit 17). Table 12 shows that dance ranked second in both cost and subsidy per audience member (full detail in Exhibit 18). Thus, subsidy to the dance is considerably less than opera in terms of audience actually reached.

Table 12

Cost and Subsidy Per Audience Member (\$): 1970/71

	Opera	Dance	Music	Theatre
Cost	8.75	6.63	6.25	4.65
Subsidy	4.31	3.51	3.38	2.06

Any discussion of the "right" levels and sources of grants is complicated by contentious philosophical and policy issues. For example, some people argued at the Conference that the Federal Government should fill the income gap; that is, nationalize the performing arts, or at least some of the major companies.

Others defended the status quo, defending the virtues of a joint private-public effort to bridge the gap. Issues of this kind cannot be addressed in this report, beyond the obvious comment that subsidizing bodies would be even more considerably stretched than at present if required to pick up the entire operating deficit.

Conference discussion of the Council's basic grant criteria - company's intentions, its achievements, and economics - resulted in general agreement that the basic approach is sound. But there is evidence that most companies are not well schooled in the grant application process. There appear to be several reasons for this:

- Some companies are unaware of the complexity and competitiveness of the grant competition process, not fully realizing the nature of the Council's internal and external decision making. (Exhibit 19 shows the process diagrammatically.)
- Some have difficulty completing the Council's financial forms since their own financial management is casual.
- Nearly all fail to define their aims and objectives clearly, and relate their programs to them. They often fail to put their case in "cost-benefit" terms.

The decline in municipality (-3.1 percent) and private (-5.4%) subsidy to the dance during the period 1966 to 1971 is disturbing. Each of the other performing arts recorded increased subsidy levels in both areas.

Finally, there are two longstanding needs in the grant area: the need for longer term grant commitment and better coordination among various subsidizing agencies. First, longer term grants would permit the companies to do better planning, and would have "multiplier" effects on a company's basic confidence and vitality. This need has been long and widely pleaded. Second, better grant coordination would make eligibility criteria more consistent and eliminate conflicting activities. The sometimes deleterious impact of the Local Initiatives Program on a community's professional arts economics was mentioned at the Conference.

3. Donations are a small but important part of funding the dance in Canada. They accounted for an average of 15 percent of dance's total revenues in the period 1966/67 to 1970/71. Performing arts companies have trouble competing for donations, particularly in the business world. In Canada, the arts receive only 4.1 percent of total corporate donations, compared to 5.3 percent in the United States.

Raising money in the private and business sectors is hard, labor-intensive work. Few dance companies are organized and staffed to do it well.

Beyond these basic problems, dance is not yet a widely attractive "product", and donations seem limited, barring a substantial increase in dance's salability; or an improvement in the tax situation, which would stimulate gifts and bequests to the performing arts; or the development of an organization like the Business Committee for the Arts in the United States to stimulate corporate giving to the arts.

4. Other revenues are a very minor part of the dance total, and include two basic types: (a) revenue from activities to merchandise the basic "product" (e.g., television and film versions of company performances); and (b) "spin-offs" of a company's mainstream activity into related profit-making areas (e.g., women's guild activities). Examples would include the National Ballet's television productions of Cinderella and others, and the Royal Winnipeg's radio-bingo game. Table 13 compares other revenue sources across the performing arts.

Table 13
Other Revenues as Percent of Operating Revenue*

	<u>Dance</u>	<u>Music</u>	<u>Theatre</u>	<u>Opera</u>	<u>Average</u>
Television and radio	1	11	-	-	4
"Spin-offs"	2	3	2	-	2

* - Average of 1969/70 and 1970/71.

Analysis suggests there is little really substantial opportunity to build dance revenues significantly in these ancillary areas. At the same time, such efforts are very much to be encouraged because they build companies' morale and strengthen its community image; and they are successful in bringing in much needed extra revenue. The trouble is that the dance product is not, by nature, reproducible in commercially attractive alternative forms for individual consumption at leisure (unlike, for example, symphony performances which are recorded and sold widely to individuals). Perhaps development of the video-cassette for home use will bring a welcome breakthrough for dance. But the cassette is some years away from mass market distribution. "Spin-offs" are usually time- and labor-intensive, and most dance companies simply do not have the needed resources or volunteer support. In fact, all their efforts are typically focused on mainstream activities in a basic effort to survive.

TAKING ACTION IN A BAD FINANCIAL SITUATION

The basic economic challenge for the seventies is then, to bridge the growing income gap and to facilitate the continued growth of the dance in Canada. Clearly, an urgent need for action exists. We believe the sustaining impetus must come in the future, as it has in the past, from the "bottom up". Dance companies expect

and want to chart their own courses: this is natural and strictly in the North American "balance of artistic powers" tradition. However, subsidizing bodies, including the Council, do have a vital supportive role to play in meeting the economic challenge - and this role will be more, rather than less important in the future. (The implications for the Council are the subject of Chapter 4.)

To meet the basic economic challenge, we have developed recommendations along three lines:

¶ Strengthening dance organization and management

¶ Controlling costs

¶ Building revenues.

Strengthening Dance Organization and Management

The performing arts, including the dance, are not on the whole especially well organized or managed. This is a much remarked upon fact of life (see for example, the Rockefeller Fund's The Performing Arts: Problems and Prospects; or Brian Dixon's interesting article, "Should the Arts be Businesslike?" in the University of Western Ontario's Summer 1970 Business Quarterly). The arts milieu is, without doubt, a difficult one in which to manage effectively. We found that few companies have a good grasp on how best to organize and manage an essentially artistic enterprise. Also, many managers are alarmed by the complexities and novelties of what CBC President, Laurent Picard, calls "managing the artistic process".

At this point, brief definitions of the terms "organization" and "management" will be useful in ensuring a common vantage point. First, in talking about how dance companies are organized, we are doing so in a broad sense. We include aspects of structure, that is, the way people are positioned and aligned in an organization. To this we add a definition of people's roles and responsibilities. Second, in talking about how dance companies are managed, we are concerned basically with the activities of planning and control. Simply put, planning is taking the trouble to think through in advance an organization's aims and objectives, and then develop sound, strategically based and adequately resourced programs to achieve those aims and objectives. And control is taking timely action to ensure satisfactory implementation of programs; and effecting justifiable changes to come as close as possible to achieving the organization's declared aims and objectives. (Exhibit 20 shows the planning and control cycle at a conceptual level.)

To this point, all of this may seem somewhat academic, especially with regard to small dance companies that may be too busy just surviving to worry about

the nuances of modern organization and management principles. But we believe all dance companies could be organized and managed more effectively. And some companies would benefit substantially as a result. Accordingly, we suggest action on two fronts:

1. Individual dance companies must be better organized and managed.

The Council can usefully play an advocate's role in helping companies to help themselves. Our experience in a wide variety of organizations, coupled with an assessment of the essential nature of professional dance activity, convinces us that the needed change must be managed from within. Understandably, the companies expect and want to be masters of their own destinies. Still, we believe the Canada Council staff can play an important role as a catalyst. A position of advocacy grows naturally and logically out of the Council's present insistence that each grant recipient be financially sound. An upgrading of a company's basic organization and management effectiveness would contribute directly to a sounder financial status.

Moral suasion of a general kind, however, will not likely be sufficient. Taking a pragmatic view of the companies' needs, we judge it unlikely they will make significant improvements in the area of organization and management on their own. People are too busy just running the store to worry about remodeling. Accordingly, we propose that the Council develop a programmed approach which will aim at encouraging companies to look at their problems, and also provide them with tools to help get the job done. We do not underestimate the difficulty of achieving significant improvements. But the benefits will heavily outweigh the pain.

Our thoughts on organizing and managing a prototypical dance organization are outlined in Appendix A.

2. Communications within the dance world must be improved by strengthening external organization. This need was clearly identified at the Conference and, as a result, a steering committee was appointed to look into the desirability and feasibility of establishing a national organization for the dance in Canada. The committee has by now met several times, and determined that a national organization seems an essentially good idea. It has concluded that "a primary purpose of the organization will be to improve communications and facilitate the dialogue between the various existing dance companies themselves, and between the dance community at large". The committee's basic mission is worthwhile and deserves support. The American Association of Dance Companies which has given particular priority to upgrading the quality of members' management, has been quite effective in strengthening communications in the U.S. professional dance world. One of its particular priorities has been on upgrading the quality of company business management.

Before proceeding further, the committee is wisely looking into two fundamental questions:

- Is it possible and/or economically preferable for the national dance organization to function as a subsidiary of an already existing organization?
- If it is considered necessary for a dance organization to be "freestanding" what assurances are there that it will succeed where other arts organizations have failed?

Controlling The Costs

The challenge facing the dance is to control costs since little real opportunity exists to reduce costs substantially without damaging the quantity and quality of the dance product. Obviously, successful efforts to strengthen organization and management will pay off in better cost control. Beyond this generalization, there are a number of problem cost areas that can be acted on directly.

1. Salaries: Ways must be found both to keep salary costs under control and at the same time to pay performing artists a decent wage. The answer lies generally in strengthening the employer's basic position vis-à-vis the various unions that influence a company's performing costs. Management people have indicated that some unions use the "whipsaw" technique in negotiations, using a settlement with one company to compromise another's bargaining position. The conventional response is, of course, a strengthened management position: a national organization might play a useful coordinating role. Also, ways must be found around the occasional impasse where union requirements can actually prevent a company from performing or rehearsing, and ironically deny a performer both his wages and an opportunity for growth as a performing artist. (The argument for better wages for the artists is made in Chapter 3.)

2. Touring: High travel costs are an inescapable fact of life in Canada, so the challenge lies in minimizing their impact through better tour planning. This is obviously a large subject. At least, it can be said now that more touring is desirable, from the point of view of both the dance companies and the public. The problems are twofold - opportunity and cost.

First, in terms of touring opportunity, two main lines of attack are indicated:

- Joint action by dance companies, perhaps expedited by a national organization. For example, modern groups might cooperate to arrange and promote exchange visits into their respective regions.

- A national impresario or booking office facility could play an active role in stimulating and coordinating touring activities.

Second, the impact of touring costs can be reduced somewhat by increasing the pay dates per tour. That is, a multicity tour of western Canada will obviously be more financially attractive for a Montreal company than a single date in Vancouver. In addition, special subsidy to alleviate touring cost burdens should be sought by companies that wish to tour domestically - just as some now seek and receive subsidy for trips abroad. Finally, the opportunity to reduce costs by streamlining a company's approach to the touring process should not be overlooked by the cost-conscious administrator. (The Royal Winnipeg Ballet for example, has developed a real touring expertise.)

3. Taxes: Concerned groups must continue to lobby the various tax jurisdictions for relief which would (a) reduce the tax burden on dance organizations and performers, and (b) provide greater incentive for private and corporate patronage. These needs and the suggested revisions have been well documented in the Council's Brief on Taxation and the Arts.

4. Theatre Rental: Ways must be found to improve the accessibility of adequate performing facilities for dance companies. Theatres are, of course, run by managers who must keep a careful eye on their own economic challenges. Therefore, it will likely continue to be expensive for dance companies to use them: the bigger and better the facility, the higher the cost. Accordingly, many companies - and especially the modern ones - will have to continue their pattern of selective use of low-cost theatre facilities.

However, there seem to be opportunities on several fronts to improve theatre access for dance companies:

- Theatres not run primarily as commercial ventures should be vigorously courted by dance companies that could effectively and responsibly use the facilities
- Commercially oriented theatres should be urged to apply "favorite son" policy to Canadian dance companies wherever possible.

Building The Revenues

In the broadest sense, the prospects for substantially boosting revenue in the dance world depend on audience development - the subject of Chapter 3. Obviously, bigger audiences would mean bigger box office. Then, in turn, a more popular image for dance would doubtless improve the flow of grants and donations.

Audience development will come, but progress will be measured in terms of years. Meantime, an urgent need for action exists in face of the current economic challenge. We see, then, opportunities for short-term action in the following areas:

1. Box Office: Company administrators must sharpen their analytical skills to ensure maximum box office return for each engagement. Decisions on issues such as ticket scaling, subscription, and distribution should only be made after careful analysis of past returns and consideration of various alternatives. If this seems obvious, it is. But all too often, management tends to rely on intuitive feel for "what the market will bear". Enlightened administrators will tactfully but firmly inform artistic management of the financial implications of tentative repertoire and programming choices, so that final choices can be made in light of both artistic and financial considerations.

In this connection, a recent article in Business Week describes the successful use of computer models by the Stratford Festival's Bill Wylie. He apparently uses them both to do economic analysis of proposed productions and later to control cost performance against the budget level.

2. Grants: Dance companies must do a better job of defining and communicating their basic needs in cost-benefit terms. As the Council's Financial Officer emphasized at the Conference, the Council must be able to relate its own request for funds to the expected benefits. Therefore, companies must make their "input" in a useful and comprehensive way.

To begin with, a need exists to improve the companies' awareness of the variety of granting sources and the means of application. Exhibit 21 catalogues the basic types of grants available to both organizations and individuals, and discusses the main pros and cons of each. Also, the companies clearly need to improve the quality of their submissions. The Council could help them to accomplish this by developing and circulating a prototype submission in addition to basic financial forms. Such a prototype could have both format and content suggestions, and be used as a guide by company management in preparing their annual submissions. A basic approach to developing a prototype submission is contained in Exhibit 22.

It is widely held that a great need exists to improve coordination among various granting agencies and the performing arts companies, including dance. The Secretary of State, Gérard Pelletier, has stated that he favors "emulation not competition or struggle for prestige". To address the point squarely, our experience suggests that it is clearly unrealistic to expect coordination to develop on its own, as a sort of natural phenomenon. This is not to say that people in this area are not well-intentioned: they mostly are. But each of the many agencies involved - and there are many - has its own perspectives, priorities, and resources. We have found that satisfactory methods of achieving truly

coordinated action are best worked out not in theory but through a series of carefully planned steps in the context of the real issues. Someone, however, would have to lead such an effort - perhaps the Council itself is the first logical choice.

3. Donations: Dance companies can best improve their fund raising activity by developing and communicating their "sales story" more effectively. Many potential donors are ignorant of, or biased toward dance as an art form; this basic hurdle must, of course, be cleared if efforts are to bear any fruit. As a first step, dance companies must do the hard thinking which is needed to articulate their basic facts of life - their own aims and objectives, and plans for achieving them. Then, once the organization's basic parameters are solidly established, the search for help in getting there can begin in earnest.

The organization and management of the fund raising (or development) process is a field in itself which will not be explored in this report. A few general comments do seem appropriate. The specialized nature of fund raising activity makes it expedient for large organizations to consider a full-time person in this function. Other companies will find it best to rely on board members and perhaps the coordinating assistance of fund raising consultants. The smallest companies will have to rely on their own efforts. Overall, companies must recognize that people being asked for money expect and deserve clear and persuasive answers to their questions - both the ones they ask and the ones they do not. Thus, every effort should be made to think through in advance what the potential donor needs to know to make up his mind.

3 - BUILDING AN AUDIENCE FOR THE
DANCE IN CANADA

Audience development is a common challenge facing the performing arts throughout North America. Most observers seem to agree that the fundamental problem is still the lack of wide appreciation of the arts by the people. The Rockefeller Fund's 1965 report on The Performing Arts: Problems and Prospects summarizes the problem this way:

"A basic problem for the performing arts is to create an environment favorable to their growth. It is not enough for our country to have artists of high quality. It is not enough to have strong performing arts institutions . . . There must also be a sizable public prepared through education, both formal and informal, to receive aesthetic pleasure from their efforts and eager to join in the attempt to enhance the nation's cultural life.

. . . As a nation, we have traditionally possessed no great thirst for music, dance, drama; if anything we have inherited a suspicion that the practice of these arts is unmanly and superfluous and that support of them is of no vital importance to our national well-being. So long as ballet dancing or piano playing is considered long-haired or 'sissy' and painters and poets something apart, the climate will remain unsuitable for the development of appreciation. We are now in a transitional stage in which these attitudes are changing."
(Emphasis has been added.)

Still, there are encouraging signs. Concern for the quality of life is becoming more widespread, and concomitantly, there is an awakening of people's interest in the arts. In fact, periodicals teem with articles discussing the surge of interest in the arts. Toffler, author of Future Shock, declares that the "cultural explosion" is a predictable part of the transition from an industrial to a postindustrial stage of society. And, the economist, John Kenneth Galbraith, agrees as he notes in uncharacteristically dense prose in his book, The Liberal Hour: ". . . pecuniary motivation - roughly the desire for money income - has a marked tendency to preempt the individual's emotions. Only as it releases its grip is there opportunity for artistic, or, for that matter, for any cultural or intellectual interest not immediately related to income". Or, put another way, a man preoccupied with sheer survival has little time, energy, or money left over for cultivating his sensibilities.

Although there is mounting evidence that the tide has turned in favor of the arts, much remains to be done. It seems fair to say that the dance faces a greater challenge than most of the arts. Nancy Hanks, chairman of the National Endowment for the Arts spoke of the need for audience development in her keynote speech to the most recent conference of the Association of American Dance Companies. She commented: "I believe it is essential to broaden the base of support for dance . . . The basic problem in my view, is one of communication, faulty communication from the dance world".

We explore the nature of the audience development problem and means to overcome it in two sections:

¶ Understanding the audience development problem

¶ Taking action to build an audience for the dance.

UNDERSTANDING THE
AUDIENCE DEVELOPMENT
PROBLEM

Everyone involved in the dance world shares the same general commitment to building the audience for the dance. But perspectives will vary. For example, while dance organizations are motivated to audience development effort by the exigencies of economic survival and artistic growth, agencies in the public sector (like the Council) are motivated by a general commitment to enriching the country's cultural life. Because of these basic motivational differences, each group will have a somewhat different overall strategic approach to action. Dance organizations, on the whole, want to fill seats - period. The public sector agencies want to see the seats filled too - but policy considerations, such as regionalization and democratization, are also involved. Accordingly, priorities and approaches may legitimately differ. However, neither the companies nor the grantors can act with confidence without a sound understanding of the basic reasons for the lack of primary demand, the location of the demand problem, and the reasons why it in fact exists.

We have again found it most useful to analyze the dance's audience development problem through use of systematic enquiry (see Exhibit 23).

Understanding the Lack of
Primary Demand for Dance

A recent study, sponsored by the Secretary of State's Department, revealed that attendance at individual arts events in Canada lags well behind other events. Dance was the least well attended event in the survey period as shown in Table 1.

These data must be used with some caution since attendance is obviously influenced by the availability of performances. Another difficulty is the questionnaire's use of the word "ballet", not "dance" in general. Nonetheless, we believe the data are useful indicators, at least of relative levels of activity (details are in Exhibit 24).

Table 1

Canadians Attending Paid or Free Event (Percent)

<u>Movie</u>	<u>Sports</u>	<u>Theatre</u>	<u>Classical Music</u>	<u>Museum</u>	<u>Public Art Gallery</u>	<u>Opera</u>	<u>Ballet</u>
42.7	36.2	13.3	9.1	7.6	7.1	2.0	1.3

We have already argued that the fundamental demand problem is a general lack of appreciation of the dance. In addition, dance people typically point to another cause, the failure to build young people's experience both within the family and at school. Exposure to the dance within the average family is nil: if the parents do not "think dance", their children are obviously not encouraged to. That leaves the formal education experience, and this is not encouraging either. Dance is not part of most public and high school curriculums. And the university scene, while showing some sign of developing, still has a long way to go. The dance program at York University's Faculty of Fine Arts is encouraging.

The high cost of attending an arts performance may be a factor reducing demand. For most dance-goers, the ticket price is only a part of a total cost which also includes a number of associated costs such as travel, food, babysitter, even hairdresser. It is doubtful, however, that high cost can be singled out as a major limiting factor since, as economists point out, people will typically pay for what they want to experience.

In theory, television provides an excellent vehicle for audience development, but in fact, it schedules virtually no dance programming. Neither the CBC nor CTV has a regular program that falls under the Canadian Radio-Television Commission's music and dance classification. In a representative winter week, the CBC devoted less than 1 percent of air time on either its English or French networks to music and dance. There are, however, a few specials. From September 1971 to late April 1972, the CBC English network programmed approximately 68 hours of full network specials, and the performing arts accounted for nearly one-third, but the dance for only one hour. CTV programmed no performing arts specials in the last year. The odds, then, are overwhelmingly against an individual television program being devoted to dance.

Locating the
Development Problem

1. The patterns of attendance are low in each of the five main regions of Canada. Table 2 shows variations from the national average, especially in Quebec and the Maritimes (see also Exhibit 25). As might be expected, attendance is least in the Maritimes and British Columbia, regions with the least resident professional dance activity.

Table 2
Percent Attending Paid or Free Event

	<u>Maritimes</u>	<u>Quebec</u>	<u>Ontario</u>	<u>Prairies</u>	<u>British Columbia</u>	<u>Average</u>
Dance	0.4	1.9	1.3	1.5	0.8	1.3
Theatre	7.5	18.9	12.4	10.6	12.2	13.3
Music	6.2	7.1	10.0	11.2	11.2	9.1

As would also be expected, audience development is strongest in Canadian urban areas, especially where there are resident companies (e.g., Winnipeg).

2. The dance audience, like performing arts audiences in general, is not proportionately developed in the lower income and education groups. As is well known, performing arts' audiences do tend to be relatively more educated and affluent, and somewhat older than the averages for the total population (Exhibit 26 makes some comparisons). Nonetheless, one must not lose sight of the fact that audience development is low across the board. For example, dance attendance by the "professional class" was higher than average (2.7 percent versus 1.3 percent); even so, this still means that fully 97 percent of professionals still did not attend.

Understanding Why
There is a Problem

We pursued our analysis using the systematic approach in conjunction with a simple "producer-consumer" model (shown in Exhibit 27), posing a series of questions:

1. Is the dance "product" well produced?
2. Is it appealing?
3. Is it readily available?

4. Are people aware of it?

5. Are there incentives for trial?

Answers to these questions are developed in the five succeeding sections:

1. Product: A steady supply of high-quality dance teachers, performers, choreographers offers the best chance to ensure both a good dance product and an increasing audience. There is wide belief in the professional dance world that striving for "product" excellence is the best means of developing a loyal audience. This, in turn, means that careful attention must be paid to the development of what can be called the "elements of production": dance teachers, performers, choreographers, and facilities. And, adequate facilities must be available for schools, rehearsal, and actual performance.

Discussion at the Conference of the "best" way to train and educate people turned out to be controversial, as was predicted. One school of thought runs as follows: "[Our objective is] to train young Canadians under conditions that ensure the proper development of the individual as well as the dancer. This means that a first-class education goes along with a first-class professional training in dance." There was a lively exchange of views. However, agreement was reached on two basic points:

- A dancer's life has three distinct phases - student, performer, and then in a nonperforming occupation. A well-rounded education should enable the individual to cope successfully with the challenges of each phase.
- The well-rounded education, in turn, would seem to have three main components: the 'core' comprising (a) movement, (b) dance-related subjects (e.g., design, theatre, music), and (c) academic subjects (e.g., mathematics, science).

Given these points of agreement, these are the essential conclusions regarding the four elements of production:

- Qualified teachers of movement are in short supply, especially outside the few major urban centres; and teachers of dance-related subjects are very often not available. A good movement teacher was defined as one possessing a sound knowledge of movement technique combined with personality, energy, altruism, and gut determination. Small wonder they're scarce. And it is claimed the scarcity is being aggravated in some areas (e.g., Quebec) by unreasonable accreditation

standards. Despite the scarcity, there is general agreement that Canada needs higher teaching standards if product quality standards are to be met. This, of course, makes the teacher supply problem even more challenging.

- Performers suffer most from deficiencies in their education and from a chronic inability to achieve an adequate level of earnings. First, current educational activities fall short of the mark overall in terms of enabling the individual dancer to cope successfully with each phase of life (i.e., student, performer, non-performing occupation). Students of dance, with the notable exception of those at the National Ballet School, are not well educated in the complete sense defined above. It apparently is difficult to combine education in movement with that in mainstream subjects. The main educational deficiencies are at the student and postperforming phases. As for the retiring performers, little indeed is organized to assist in their transition to a civilian life.
- As was noted in Chapter 2, dancers are notoriously poorly paid. Earnings for many are barely at the subsistence level, while some actually fall below the poverty line. In addition, they do not typically benefit from income supplements such as unemployment insurance or pensions. Dance often is truly a labor of love.
- Good choreographers are indispensable to the continued growth of the dance in Canada; conditions for their development must be improved. It seems evident that choreographers will always be a scarce commodity. There is no known way to manufacture a choreographer (Grant Strate of York University suggested that "you cannot teach choreography but you can provide the tools"). So much depends on innate talent, circumstance, and timing. Nonetheless, conditions could be made more conducive through action to develop a more supportive environment, one in which the choreographer is given appropriate advice and encouragement and resources.

- Facilities for dance companies vary widely: in general, the larger the company, the more adequate the facility. The facilities problems are both physical and financial. Small companies typically are plagued by inadequate facilities - too small, or too expensive, or too drafty, or all, or more. Often leases are uncertain; and landlords can become philistines on rent day. Altogether, the question of accommodation for many seems more than reasonably unpredictable. All of this makes it more difficult for many professional companies, especially the smaller ones, to get on with the main job.

2. Appeal: Dance has a real consumer appeal problem; it is held by the man in the street to be a relatively esoteric art form, not easily enjoyed by people who are not experts. The basic problem, is, of course, the fundamental one - lack of basic popular appreciation which has already been discussed. An attitudinal study carried out recently by the National Ballet Company drew these conclusions:

"The overriding barriers to attendance are psychological. One set of psychological barriers relates to preconceived notions of inertia, the other to feelings experienced at a theatre . . . For nonattenders, the strongest barrier to attendance is pure lack of interest. This lack of interest is partly based on the images previously described [interviewing revealed that people had an image of ballet as "boring"; for women; too abstract; and so on]. The other reason for lack of interest appears to be social acceptability. Attendance for some individuals is not congruent with their self-concept or the concept of them held by their social group."

Such basic attitudes require changing. And the main impetus for change must come from the dance world itself. This is an essentially long-run job but one which must be tackled, given a high priority and tackled now.

3. Availability: The professional dance is not widely available in Canada; and since supply generates demand, accelerated audience development depends on an increased supply of dance. Canada has relatively few, widely scattered professional dance companies. Dance is not, therefore, widely or even often available. As data for 1970/71 in Table 3 show, dance ranks third in total performances and in average audience per performance.

Table 3
Number of Performances (Rank) - 1970/71

	Theatre	Music	Dance	Opera
Number of performances	4,851(1)	746(2)	661(3)	143(4)
Average audience per performance	426(4)	1,704(1)	792(3)	1,505(2)

Again, it is safe to presume that activity was concentrated in urban areas; and, of course, in cities with resident companies.

4. Awareness: The Canadian public's awareness of the dance is low and biased. While the basic problem, once again, relates to the fundamental lack of appreciation, there is evidence that informed public awareness could be improved. Character development is classically advanced on three fronts: (a) what you say about yourself; (b) what others say about you; and (c) what you actually do. The development of a dance company's reputation can be looked at in this context. In dance (as elsewhere), there is obviously no substitute for what you actually do - the product is the thing. Beyond this, a company's reputation depends on what it says about itself (publicity) and on what others say about it (criticism).

Publicity and criticism are important because people rely on them for information. A study by the Twentieth Century Fund in the United States showed that people claimed to learn about dance performances most often from newspaper ads (48 percent), followed by word of mouth (32 percent), and mail (25 percent). Newspaper stories were ranked fourth (16 percent), perhaps because of the scarcity of criticism and its 1-day only appearance.

Table 4
How Audiences Hear About Performances (Percent)

	Paper Ad.	Mail	Word of Mouth	Paper Story	Radio And TV	Other*
Dance	48	25	32	16	3	20
All paid performances	34	25	35	22	6	33

* - Adds to more than 100 percent because some named more than one source.

- Publicity efforts of Canadian dance companies are uneven: large companies do fairly well while smaller companies have more trouble. The controlling factors are money and expertise - both, of course, are quite scarce.
- Criticism of the dance is inadequate in Canada and must be improved. A ranking American dance critic, Walter Terry, argues in his book Dance in America that "informed critical opinion is of undeniable importance in upholding standards of excellence". Moreover, it also is an important basic source of information and means of developing audience taste. There are very few ranking dance critics in Canada. The broadcast and print media give very limited coverage to dance activities. In fact, some newspapers assign sports writers to dance events.

5. An opportunity exists to increase incentive to attend dance performances through more effective promotion activity. Dance promotion activity is also hindered by lack of resources and basic expertise. Promotion is basically the art of building an audience for the dance product through use of direct incentives to attend. A dance company's basic promotion incentives are of two kinds: (a) price, and (b) non-price.

- Price incentives mostly involve ticket scaling variations (e.g., subscription, discounts). Economic analysis is required to determine the best mix for a company's various engagements. Assistance from outside consultants, such as Chicago's Danny Newman, has proven quite useful in formulating plans
- Non-price promotion includes performance-related factors such as programming and scheduling. Close collaboration is required here between artistic and administrative management in settling on the "best", all factors considered.

The overall challenge is to develop a more "strategic" sense for the use of promotion. This requires an improved understanding of the public's basic motivations, attitudes, and habits. Companies must develop an appreciation for the need and an ability to segment the market and set priorities. In sum, dance administrators need assistance in sharpening their skills in the promotion area.

TAKING ACTION TO BUILD AN AUDIENCE FOR THE DANCE

It seems important at the outset to set the audience development challenge in perspective. It does not seem realistic to expect, say, a majority of Canadians to attend the dance in the near term. That would require a revolutionary change in habits (and, of course, a dramatic increase in the supply of dance, as well). But it does seem realistic to expect an evolutionary change, a steady growth in the number of people interested in professional dance. The underlying growth trend is already established.

Given the problems and opportunities identified by the systematic analysis of dance's audience development problems, we have developed recommendations along five lines:

- ¶ Stimulating primary demand
- ¶ Ensuring a high-quality dance product
- ¶ Improving supply and distribution of dance
- ¶ Building better and broader awareness
- ¶ Developing incentives to trial.

Stimulating Primary Demand

The audience for the dance can be and has been built. Total performances by the three main Canadian ballet companies increased from 219 in 1966/67 to 336 in 1970/71, up 54 percent. This percentage increase was exceeded only by theatre (+69 percent) in the same period. In the United States, there are now 126 professional dance companies, and the growth in audience exceeded 600 percent in the 5 years ending 1970/71, with the fastest growth most encouragingly being in areas outside traditionally enthusiastic New York City.

Table 5
Growth in U.S. Dance Audience (Percent)

	<u>Performances</u>		<u>Audience (000s)</u>	
	<u>1964/65</u>	<u>1970/71</u>	<u>1964/65</u>	<u>1970/71</u>
New York City	340(58)	1,249(30)	680(68)	1,642(27)
Outside N.Y.C.	250(42)	2,836(70)	320(32)	4,558(73)

Source: American Association of Dance Companies

This dramatic growth is attributed to three principal factors by the National Endowment for the Arts' Dance Officer, Don Anderson:

- ¶ The NEA's coordinated residency touring program, which in 1967/68 took 4 companies to 7 communities and in 1974 will take 27 companies to 124 communities.
- ¶ The dance on campus movement, pioneered by Margaret H. Dobles some 25 to 30 years ago. Today, dance is part of the curriculum on at least 68 college or university campuses in 29 states and the District of Columbia.
- ¶ Basic developmental activities by the American Association of Dance Companies and the National Association for Regional Ballet.

In Canada, we suggest the following actions to stimulate basic demand:

1. Lobby provincial departments of education and local school boards to include dance as an element in the curriculum. It was claimed at the Conference that Departments of Education do not understand the needs of someone who wants to pursue a career in the performing arts. It is up to the arts world to help them to understand. In the past, initiatives have been taken mainly by concerned individuals and several organizations (e.g., Fédération des Loisirs - Danse du Québec). In the future, a national organization for the dance might well play a coordinating role.

2. Increase lecture/demonstration activities in schools. This approach has proved successful in stimulating interest, and in providing an incentive to attend a regular performance. For example, the Alberta Ballet Company relies heavily on this approach to develop its regional audience. Sometimes companies are reluctant to mount an extensive round of lecture/demonstrations since lecture/demonstrations are rarely, if ever, self-liquidating financially.

Ways must be found to facilitate dance activities in schools, since these efforts are very clearly an investment in future audience development. All companies should take the initiative, developing aggressive programs that complement their other planned activities. Special subsidy must be found for this purpose. The Council should consider a special purpose grant category.

3. Increase the production and distribution of films on the dance. The Canadian Centre for Films on Art does have films on the dance. Every effort should be made to enlarge its catalogue and increase distribution. Perhaps consultation with Genevieve Oswald, Curator, New York Library Dance Collection, which includes film, would be useful.

4. Encourage the Canadian television networks to program more dance activity. Understandably, they may be more responsive if films are made available; and dance companies offer cooperation in production ventures. Here again, the responsibility for initiative lies with the dance world.

5. Professional dance companies must continue to work out ways together to promote the dance generically: everybody stands to gain. The recent Stravinsky Festival in New York City focused world attention on the dance (and it was mounted by a single company). Could something attention-getting like this be organized in Canada? A festival of dance, ballet and modern? Perhaps hosted by NAC? A national organization could play a useful entrepreneurial role.

6. Encourage amateur dance activities of all kinds. The health of the National Association for Regional Ballet and the growth in regional audiences for professional dance at least implies a link between a healthy amateur movement and professional audience development. The Citizens' Cultures Branch's support of the Canadian Folk Arts Council (CFAC) is worthwhile to the extent that it permits furthering of the grass roots activities of an estimated 1,385 amateur dance groups in the CFAC.

7. Organize student visits to a live dance production in a theatre setting. There is widespread belief that exposure to a performance in actual setting is the single, most effective means of interesting young people in a performing art. Perhaps a dance organization could organize a joint effort working with local opera, theatre, and music personnel. Local theatre operators, whose houses are often dark during the day, might be persuaded to cooperate in the general interest of audience development.

8. Import dance companies of top quality to help build both the size and knowledge of Canadian audiences. It is widely agreed that audience development is importantly related to the quality of the audience's experience. In other spheres, Fischer and Spassky stimulated Canadian interest in chess, Team Canada and the Russians in hockey. Of course, commercial impresarios do bring major world companies to Canada now. And York University brings one major company each year to its Toronto campus. Efforts to expose Canadians to the best in dance should be continued.

9. There seems to be a legitimate need for selective subsidy to encourage audiences in smaller centres by keeping ticket prices within reach. There is no way around the relatively high cost of an evening out at the dance. Nevertheless, companies wishing to perform in communities whose economics demonstrably preclude scaling tickets at regular rates should seek subsidy (most logically from municipal and provincial sources).

10. Produce new works to broaden the audience base. Admittedly, this can be costly, both in production-related expenses, and in loss of a portion of an audience that shuns the unfamiliar. Performing arts companies in all parts of the world generally find it more difficult to attract audiences to contemporary works than to the standards. However, contemporary works do generally attract a younger audience. For example, the portion of the audience under 35 years at a 1971 Toronto performance of National Ballet's Kraanerg was fully 84 percent, compared to only 60 percent for Giselle a week later.

Ensuring a High-Quality Dance Product

The dance product is, of course, the end result of a wide variety of contributions from the artistic and administrative components of a company's full-time organization, importantly aided and abetted by a wide range of volunteer efforts. The importance and value of voluntarism in a milieu where actual artists are paid subsistence wages can scarcely be exaggerated. Many are pleased to serve for love of dance. The successful organization, then, is one which gets the most out of these efforts. In considering the major factors of production (teachers, performers, choreographers, and facilities) a number of suggestions emerge.

1. Teachers: The supply of qualified dance movement teachers must be increased and standards upgraded. Also, better ways must be found to combine the teaching of movement with dance-related and academic studies.

- A systematic approach should be taken to developing and allocating teaching resources in Canada, along these general lines
 - . Develop standards in conjunction with acknowledged authorities
 - . Identify current teacher supply in Canada . . . who, where, and what
 - . Compare current achievements to standards, to spot development needs
 - . Develop programs to fill needs.
- A "teacher bank" could be developed to provide on-the-spot assistance to areas requiring help on a temporary basis. The bank could be staffed by established teachers with well-established credentials. Taking help to the teachers makes considerable sense because most are unable to come to a centralized point, for reasons of

economics, or because they are needed daily to teach. The Council's valuable grant program to assist teachers in developing their skills should be continued. Funding assistance to the development of a teaching bank would be logically consistent with existing programs to support individual teachers.

- Development of audio-visual teaching aids would help provide informed instruction at remote points. For example, video-tapes of basic movement techniques could be produced for distribution to companies wishing to supplement their own programs. This would be most useful for the small, modern companies.

2. Dancers: Money must be found to improve professional dancers' standards of living if Canada is to have more and better dance. This challenge applies generally, but most especially, to the smaller companies. The Contemporary Dancers of Winnipeg - a modern company - provides a case study. Figures worked out with the administrator show that an additional \$30, 200 would enable them to pay its 10 dancers an "acceptable" basic salary - \$4, 600 for 40 weeks' work compared to the present \$2, 100 for 30 weeks.

Table 6

Dancers' Salary Economics: Winnipeg Contemporary

	No. of Weeks		Salary per Week (\$)		Total Salaries (\$)	
	Total	Tour	Basic	Per Diem	Per Dancer**	Company***
Now	30	12	70	70	2, 100	29, 400
Proposed	40	16	115*	85*	4, 600	59, 600
Difference	+10	+4	+45	+15	+2, 500	+30, 200

* - About Equity minimum

** - Excludes per diem allowance which just covers tour expenses

*** - Includes per diem allowance.

The issue is difficult: no one wants to develop a class of "dancing welfare bums"; yet a dancer obviously cannot develop properly to full potential in a state of poverty. A careful study of this issue is required to sort out practical ways of ameliorating the situation (likely the Department of Manpower's occupational analysis of the performing arts will considerably illuminate this problem).

3. Choreographers: The challenge is to ensure conditions conducive to the development of good choreographers in Canada. A number of recommendations can be made:

- Continue Council grant program to assist promising choreographers
- Encourage companies to be more attentive to the developmental needs of potential choreographers
 - . Recognize that a choreographer is an investment - be prepared to spend money now in anticipation of future dividends
 - . Create opportunities for young choreographers to work, both inside and outside their present companies
- Consider a festival of choreography to showcase the best in new works. This kind of vehicle (much favored by the United States regional ballet movement) presents a unique opportunity for actual performance and discussion.

Improving Supply and Distribution of Dance

The twin issues of supply and distribution of dance in Canada do not lend themselves to simple analysis: they are both too complex, obviously involving major questions of policy. We develop these policy issues from the Council's point of view in Chapter 4. It is possible in this chapter, however, to offer some basic comment, recalling once again that although the dance companies and the subsidizing agencies will both be interested in the growth of the dance, there will be predictable and legitimate differences in strategic approaches.

There are two basic means of increasing the supply and distribution of Canadian dance in Canada: (1) increasing the number of dance companies; and/or (2) increasing the performing activity of existing companies.

1. Generally speaking, increasing the number of dance companies will be less effective than increasing activities of existing companies as a means of increasing the supply and distribution of dance. Basically, this is because new dance companies cannot be "made to order": dance companies tend to be "born not made". A study of the origins of major professional North American companies suggests that they grow up around either major creative or big-money personalities. More to the point, the very nature of artistic enterprise seems to rule out - or at least make into a very long shot - the prospect of success for

any effort to systematically create dance companies to serve a larger purpose, such as a wish to have a resident company in every Canadian city with a population over 200, 000.

Moreover, subsidizing agencies have, for the most part, not positioned themselves as "venture capitalists". That is, large sums of money have not been sunk into experimental avant-garde companies on a speculative basis. For example, in the past, the Council's funds have flowed predominantly to the established dance companies, and especially to ballet. Given the overall scarcity of resources, the general reluctance to undertake speculative financing is understandable. Most professionals themselves argue that funds should flow to support beleaguered but potentially viable enterprise and not be diffused. As in most fields, the mere wish to be viable is no guarantee of success.

But it is tough to define a "viability threshold". At what point does a struggling group of would-be professional dancers qualify for consideration as a (potentially) viable company? The question is, of course, a crucial one - since the fledgling's success depends on subsidy sooner, not later. Its dependence is rooted in the axiomatic nature of the income gap. A company which cannot attract subsidy to supplement its box office cannot survive: it is that simple.

In the last analysis, the fundamental initiative and impetus for the development of new dance companies will come, of course, from the artistic community. This is in the nature of things. But supportive efforts should be improved. For example, the Council's Dance Officer might take this approach to "new product development" in an effort to improve the supply and distribution of dance:

- Follow dance world activities closely to develop and maintain an informed view. This will involve development and maintenance of good relationships with a cross-section of informed people on the local dance scene. And personal visits at reasonable intervals are indispensable. A good first step would be the collection of data needed for a basic view of a dance company and school's range and scope of activities (see Exhibits 28 and 29 for pro-forma fact sheets).
- Respond objectively but informatively with constructive suggestion to all applications for Council support. All applications, whether successful or not, provide an opportunity to supply information which will be helpful to the seriously intentioned. Dance people are doers, not talkers or writers. Constructive feedback is often required to help them to help themselves.

- Develop a feel for the fledgling company's viability threshold. In view of the life or death importance of subsidy, every effort should be made to refine insights into what signals to look for, what "indicators" to develop.

2. Under the circumstances, increasing the number of performances in Canada by existing Canadian dance companies through more touring is the best means of tackling the supply and distribution problem. Specific recommendations are impossible in the absence of a clearly defined national policy for the dance. However, it is clearly in the interests of both the Canadian public and the dance companies to increase the companies' actual performing activity.

Increased touring by Canadian companies in Canada is required to effect a meaningful increase in dance's supply and distribution. But the economics are fearsome, as discussed in Chapter 2. This is quite obviously a large subject, but there is clearly a need for action along these lines:

- Development of a national impresario mechanism to facilitate touring in Canada by developing and expediting tours for Canadian dance companies.
- Investigation by the Dance Officer of feasibility/desirability of tying in with the National Endowment for the Arts' coordinated residency touring program.
- Establishment of a domestic touring subsidy category by subsidizing agencies.

Building Better and Broader Awareness

The development of public awareness, we have already suggested, is importantly a function of what you say about yourself and what others say about you - publicity and criticism. Again, a good "product" is first and foremost. But the word must get around.

1. Publicity: While still more of an art than a science, publicity activity in Canada needs continued improvement. In face of limited resources and expertise, publicity efforts could be improved through periodic seminars for administrators and publicists on basic techniques. A good reference work for arts administrators, The Arts Management Handbook, suggests the following kinds of publicity programs that have proved successful in building an informed awareness:

- Symposium to educate people on the dance, generally and with reference to specific companies

- News features on performing artists
- Dance week in local area, pronounced by someone in authority (e.g., mayor)
- Joint venture with other local performing arts organizations to stimulate interest in an arts festival.

2. Criticism: The wide agreement that Canadian dance criticism requires careful nurturing suggests that the Council's programs for critic development should be continued. Additionally, individual dance companies should make efforts to familiarize critics with their basic aims and objectives. Such efforts might contribute to more informed criticism.

Finally, ways should be investigated to develop programs to write and distribute articles on Canadian dance - performances, companies, personalities, and on the dance generically. For example, the work of an active dance critic such as the Toronto Star's William Littler might be syndicated. Perhaps one or more of the major newspaper chains could be persuaded to carry a dance column periodically, especially if the copy were to be provided on a subsidized or gratuitous basis.

Developing Incentives to Trial

Promotion is another tool for building audiences, working with both price and non-price incentives. The basis for effective promotion lies in a sound understanding of the public's motivations, attitudes, and habits. Dance administrators must improve their factual insight into the nature of their audience, both current and potential. Given the magnitude of the job (98 percent of Canadians do not attend the dance), the realistic promoter will focus his efforts on those market segments most likely to be persuaded to attend a performance. This approach is known as "target marketing" in the commercial sector, where marketers seek to concentrate their investment of promotion dollars in areas of high yield.

Here is an example of how an administrator might use target marketing in planning a promotion campaign. A careful analysis of the performing arts audience profile would yield him interesting results. For example, the Twentieth Century Fund audience research shows that theatre goers are primary prospects for the dance.

Table 7

Number of Times Arts Goers Attended the Dance

	Theatre	Orchestra	Opera	Chamber Music
Average	11.7	3.6	2.9	2.6

The overall challenge is to develop a more strategic sense for the use of promotion. As in the case of publicity, periodic seminars would be useful to improve administrators' and publicists' basic promotion skills. The use of outside specialists may also be advisable, both to save the cost of a full-time functionalist and to pick up the benefits of professional expertise.

4 - DETERMINING IMPLICATIONS FOR THE CANADA COUNCIL

As the preceding chapters have demonstrated, the dance in Canada faces a particularly challenging future. It shares the fundamental income gap dilemma of all the performing arts, but in a more virulent form; as a blend of physical virtuosity, theatrical expression, and musical form, the dance requires a relatively expensive infrastructure before a dancer can perform properly. With an audience that is relatively less developed than those for the other major performing arts but that responds dynamically to quality supply, the dance faces a challenging audience development job. And in the face of these needs, the ability of the dance to narrow the income gap from its own resources or from private sector support is limited.

Although, as indicated, there are a variety of actions that the dance can and must take on its own to improve its position, the overall conclusion that it will be increasingly dependent on public sector support is inescapable. The evidence of this increasing reliance naturally led us to look at the Canada Council's capacity to respond to these growing needs. Accordingly, in this chapter, we briefly review some of the preliminary conclusions which came out of this informal assessment. In sum, there are definite indications that the Council will most likely have to take on a more active and directive role in interpreting and applying cultural policy guidelines and, in turn, that it will have to upgrade its management capabilities.

Before briefly outlining the nature of these requirements in conceptual form, it is important to bear in mind the peculiar constraints on management action in the public sector and in the domain of cultural activities and the performing arts. Four kinds of constraints stand out:

- ¶ The policy planner and the decision maker in the public sector is faced with a much more demanding and ambiguous management environment than his equivalent in the private sector. Objectives are more difficult to determine, criteria for assessing alternative courses of action are nonexistent or at best surrogate in nature, and there are more parties at interest. The whole context for planning and management is simply more difficult, as Exhibit 30 illustrates.
- ¶ Formal recognition for the area of culture in overall national priorities is still a recent victory of the Secretary of State's Department. But if the war for "legitimizing" culture has been won, many battles

remain to be fought. For example, the dance must annually compete for public funds which are never sufficient to meet the whole range of demands (Exhibit 19).

- ¶ The Government has gone on record as not wishing in any way to regiment or direct artistic activity, confining its efforts to methods of cultural expression and dissemination. Although freedom of the artist and government action are not irreconcilable, the Government must guard against the risk of overbureaucratization. Finally, the Canada Council itself must preserve its independence of action, while at the same time increasingly coordinating activities with other branches of the Federal Government, other levels of government, and the private sector (Exhibit 31).
- ¶ There exists always the potential for conflict between the concepts of management efficiency and artistic freedom. Particularly when one is dealing with the substance of artistic activity, subjective judgment and artistic intuition must remain paramount. Thus, quantitative analysis, management disciplines, more efficient planning and programming can at best serve only as tools to help with essentially qualitative and artistic tasks. But then this situation is not unanalogous to that of research and development in industry; no one can actually plan the quality and the number of inventions, but a clear and simple planning framework that can help the research and development people to relate their efforts to corporate and departmental objectives can assure a minimum of duplication, frustration, and spinning of wheels.

In sum, these constraints imply limits on what can realistically be accomplished in clarifying policy guidelines and improving administrative processes.

CULTURAL POLICY AND THE DANCE

No one in the Canadian Government, or for that matter in any of the western democracies, pretends that a unified, all-encompassing cultural policy governing the substance and the objectives of cultural activity is possible or even desirable. Where a strongly directive and substantive culture policy does exist, it often becomes nothing more than a cover for converting cultural activity into another captive medium for conveying a predetermined political ideology. But the fact that cultural determinism is to be avoided does not preclude the need for a more rational and a clearer set of cultural policy orientation guidelines. Without such guidelines, it is difficult both for the Council and for the individual performing arts organizations to do rational planning for any period greater than the year-to-year reactive survival cycle.

Current Cultural Policy Guidelines

Because the development of cultural policy orientation guidelines is a relatively recent event, there is still considerable need to ensure that these are properly communicated and understood.

Until 3 or 4 years ago, anyone in search of a set of clearly formulated cultural policy guidelines in Canada would have been at a loss to come up with anything more specific than the enabling legislation which set up the Canada Council in 1957 and which defined its mission: "To foster and promote the Canadian arts, humanities, and social sciences". In 1968, the Secretary of State's Department began a series of significant efforts designed to:

- ¶ Formally establish culture as an important priority area and back this notion with a more rationalized system of support for budget requests for funds for the cultural sector.
- ¶ Recognize the growing role of government as a contemporary patron of the arts, offsetting the growing inability of the private sector to carry the load.
- ¶ Improve the coordination of institutions responsible for developing and implementing cultural policy.
- ¶ Increasingly entrust management of cultural activities to men of cultural distinction.

A reading of the speeches and interviews of key officials in the Secretary of State's Department and in the Canada Council indicates that this seeding process stimulated a growing awareness, and there did indeed emerge guidelines that provided a clearer orientation for cultural activities. These guidelines are summarized in the table that follows on page 4 - 4.

Table 1
Cultural Policy Guidelines

Guideline Category	Key Elements
1. Democratization	Adequate supply adequately made available; more culture delivered to more people; cultural "products" more responsive to public desires; easier and greater access vertically across society.
2. Regionalization	Horizontal/geographic extension of democratization; reduce impact of distance from metropolitan centres as obstacle to access; better balance between population distribution and access.
3. Multiculturalism And Pluralism	Easier access and means of expression for various ethnic minority components; less imbalance in favor of two founding cultures; Canada not a melting pot; no "favoritism" in program support.
4. Canadian Content	More encouragement of native Canadian talent; employment opportunities for Canadians.
5. Intergovernmental Cooperation	Better harmonization and coordination of efforts with provincial and municipal levels; more emulation and cooperation, less competition.
6. Internationalization	Reduced foreign cultural "domination"; greater diversity of external cultural influences; greater exposure abroad of Canadian cultural assets.

And the first tangible impact of the application of these guidelines was made evident in the specific policies and programs that were developed in the area of museums, the visual arts, and publishing. As members of the dance community were made aware at the first national Conference on the Dance, the priority for clarifying the guidelines and elucidating appropriate program and budget recommendations is now focused on the performing arts.

Policy Guidelines And the Dance

It became evident at the Conference that in the world of the dance, the impact of these policy orientation guidelines has been limited by problems of communication and understanding and by a failure to translate general guidelines into specific guidelines and implications for the dance. In effect, these guidelines are not being used adequately by the Council or by the dance companies. An illustrative summary of some of the current problems of understanding and interpretation of cultural policy guidelines in the dance world is outlined in Exhibit 32.

Policy analysis and policy planning is of course a difficult and demanding process, and particularly so in the area of the performing arts - including the dance. Achieving ongoing improvements in this process will require new management skills both within the Council and, as noted in Chapter 2, among individual dance companies.

To illustrate the sort of end product that could emerge from a refined process of policy analysis and planning, we have attached Exhibit 33 which shows how the overall orientation guidelines imply a set of specific policy alternatives for the dance. Our interviews with both Council officers and company managers certainly confirmed that such a set of specific policy guidelines would be of immense value in helping the companies to plan their longer range development, to set priorities, and to assess their performance. Clearly, much analysis of specific issues and much dialogue between the Council and the dance world would have to precede any formal promulgation of such a set of policy guidelines for the dance; and it should also be obvious that different guidelines would have differing priorities at different points of time. (It is also interesting to speculate on the role that a new national organization for the dance might play in this dialogue.)

Exhibit 34 takes the illustration one step further by showing how specific program alternative implications for the dance could be linked to the policy orientation guidelines. And of course the final link in such a rational process would be to tie granting and budgeting decisions to the predetermined policy and program priorities and plans - as opposed to the current largely ad hoc and reactive process. Achieving this more rational approach in turn implies sharpening a variety of management skills, primarily in the planning area.

Management Of the Dance

As previously indicated, the initiative for developing the health of the dance in Canada must continue to rest with the individual companies and thus flow to the Council on a "bottom up" basis. And as was noted, the companies themselves have some way to go in professionalizing their own administrative practices.

But the Council must strengthen its management capability as well; for it is certainly clearly foreseeable that a combination of more extensive and aggressive operations on the part of the companies, coupled to a need to do a better policy planning job at the national level, will put considerable new pressure on the Council's limited management and administrative resources. This has implications for the Council's organization and management processes.

The organizational implications relate to the nature of the management relationship between the Council and dance companies, and to the arrangements required to cope with a work load that will be more demanding both quantitatively and qualitatively.

Like a corporate management group, the Canada Council must represent its "owners" (the taxpayers) interests vis-à-vis a disparate group of divisions (dance companies) with differing aims, products, markets, and personalities. Unlike a business management group, however, the Canada Council must play its role in an arm's length relationship as it has no direct hierarchical authority over the dance companies and does not wish to directly influence the companies' artistic choices. Thus, the management relationship between the Canada Council and the companies must depend to a high degree on voluntary cooperation. These facts of life, combined with the growing official government interest in the performing arts and the growing dependence of the arts on public support, do indeed present the Council with a challenging opportunity to assume the role of enlightened patrons or of "enlightened corporate stewardship".

The management process implications relate to the nature of the policy guideline formulation process. Given an adequate data base and improved analytical capabilities, the Council will be in a better position to sharpen policy and program planning practices. It is not within the scope of this report to specify the steps involved in achieving such planning effectiveness. However, a simple conceptual overview of what is involved in a more effective policy dialogue between the Council and the dance companies is outlined in Exhibit 35. In essence the suggested changes are designed to improve dialogue around the cultural policy guidelines on the one hand and the dance companies' own longer range plans on the other hand, before the budgeting/granting process itself takes place. This change is designed to accomplish at least three objectives:

- ¶ To provide the Council with a more rational and timely basis for analyzing policy alternatives and setting general priorities - in other words to have a more comprehensive and rational framework against which to assess individual grant requests.
- ¶ To provide dance companies with a basis for doing more advanced planning. Even though government budgeting restrictions may still preclude commitment of funds for more than 1 year ahead, this new planning dialogue around analyzed issues and policy guidelines should permit full discussion between companies and the Council of the companies' longer range plans prior to submission of individual grant requests. By the same token, the companies could develop longer range pro forma budgets for several years in advance as a more realistic framework within which to assess the individual requests for the next fiscal year.
- ¶ To provide a basis on which the Council can play a more active role in helping and guiding individual dance companies to upgrade their own planning and administrative effectiveness.

* * *

This report of necessity deals with problems to overcome and opportunities yet to be realized; but it should not be forgotten that the dance in Canada has already had to overcome many obstacles to reach its relatively thriving state today and people in the profession have had to make many sacrifices along the way. Unfortunately, stories of dedicated and starving artists are not confined to Bohemian scenarios, but are still only too true on the recent and current Canadian dance scene.

The country can be justifiably proud of its three large well-established ballet companies that have demonstrated their ability to achieve international standards of excellence in classic repertoire and in creating new performances in the classical idiom. Smaller regional companies are increasingly demonstrating that the opportunity to participate in the creation of ballet as well as the opportunity to attend ballet performances can indeed be made available outside of the large metropolitan centres.

Canada's professional contemporary dance companies are in the earlier phases of their struggle for survival and development, and face a more demanding audience development challenge. (Exhibit 36 provides valuable insights into the audience development challenge for modern dance in the United States - which enjoys some considerable head start over Canada in this respect.) Nonetheless, from Vancouver to Montreal, the existing modern dance companies have successfully

established local roots and are increasingly able to communicate a distinctly Canadian consciousness in and through the dance. But without exception, the contemporary dance companies are each in critical if varying stages of development; some have barely achieved the status of a group of permanent professional dancers with an annual repertory; others are on verge of achieving the "critical mass" which is the basis for a fully professional and fully established ongoing performing art company.

The overall long-range potential for the dance in Canada is perhaps also illustrated by the explosion of interest and participation in the world of the amateur dance. Under the impetus of multiculturalism and the CFAC, the extent and range of participation in ethnic and folk dancing has grown tremendously in the past few years. Ballroom and social dancing also seems to be enjoying a revival, particularly in the Province of Quebec where the rate of overall participation in organized social dancing activities is virtually doubling every year. And there is considerable evidence that today's participant in amateur dance is tomorrow's member of the audience and candidate for participant in professional dance.

The professional dance companies have a long way to go and can indeed do much better in managing their financial affairs and in accelerating their audience development efforts. But the evidence of the data at hand and the analyses that we have performed demonstrate that the overall job to be done is of such a magnitude that it is beyond the capabilities of the individual companies and will require more active, intensive, and effective public support. The challenge to the Canada Council then is to play a leadership role in providing such support.

EXHIBITS

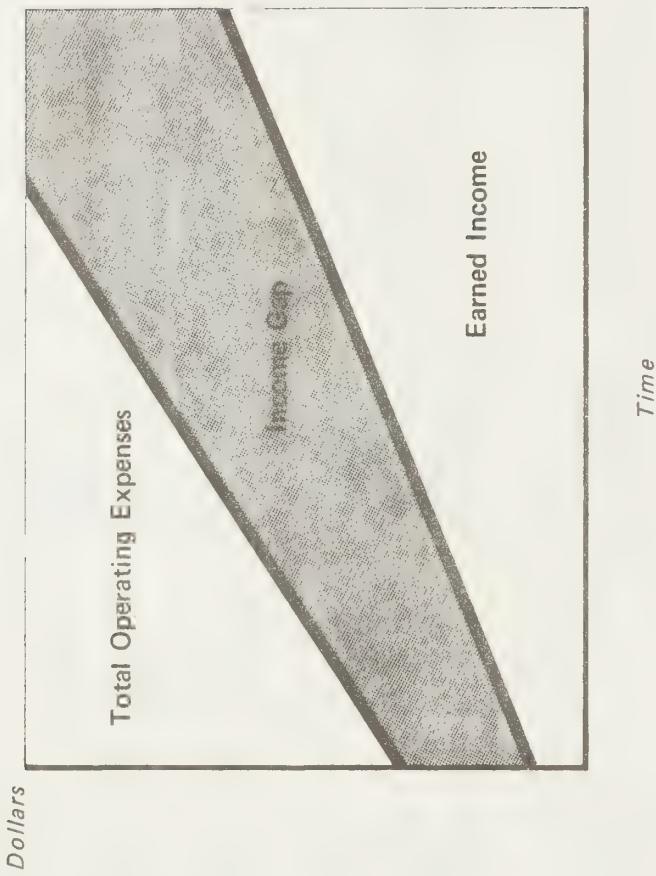
PROFESSIONAL DANCE COMPANIES IN CANADA - FACT SHEET

Company Type and Name	Location	Management		Annual Budget (1972/73)	School
		Artistic Director	Administrative Director		
<u>A. Ballet</u>					
1. Grands Ballets Canadiens	Montreal	Ludmilla Chiriaeff	Uriel Luft	\$1,650 M	Yes
2. National Ballet	Toronto	Celia Franca	Gerry Eldred	2,600 M	No**
3. Royal Winnipeg	Winnipeg	Arnold Spohr	Bob Dubberly	1,200 M	Yes
4. Ballet Horizons	Vancouver	M. Wiseman	Tony Clarke	55 M*	Yes
5. Alberta Ballet	Edmonton	Ruth Carse	Barry Thompson	75 M*	Yes
<u>B. Modern</u>					
1. Anna Wyman	Vancouver	Anna Wyman	—	?	Yes
2. Contemporary Dancers	Winnipeg	Rachel Browne	Bob Holloway	133 M	Yes
3. Groupe de la Place	Montreal	Peter Boneham	J.P. Perreault	54 M	No
	Toronto	Randozzo, Earle	James Plaxton	135 M	Yes
4. Toronto Dance Theatre	Edmonton	and Beatty	Jacqueline Ogg	—	—
5. Alberta Contemporary					
Dancers					
6. Ballets Modernes du	Montreal	Hugo de Pot	?	—	—
Quebec		Hugo Romero	?	—	—
7. Contemporary Dancers	Montreal	Garbut Roberts	?	?	?
of Montreal		Martine Epoque-	Danielle Lapointe	?	Yes
8. Canadian Dance	Toronto	Poulin	Jack MacAndrew	?	No
Drama Company					
9. Groupe de la	Montreal				
Nouvel' Aire	Charlottetown	Alan Lund			
<u>C. Folk</u>					
1. Les Feux Follets					

* — 1971/72 estimate

** — National Ballet school, a separate organization, does provide many of the National Ballet's dancers

THE INCOME GAP IS UNIVERSAL AND PROMISES TO WORSEN . . .

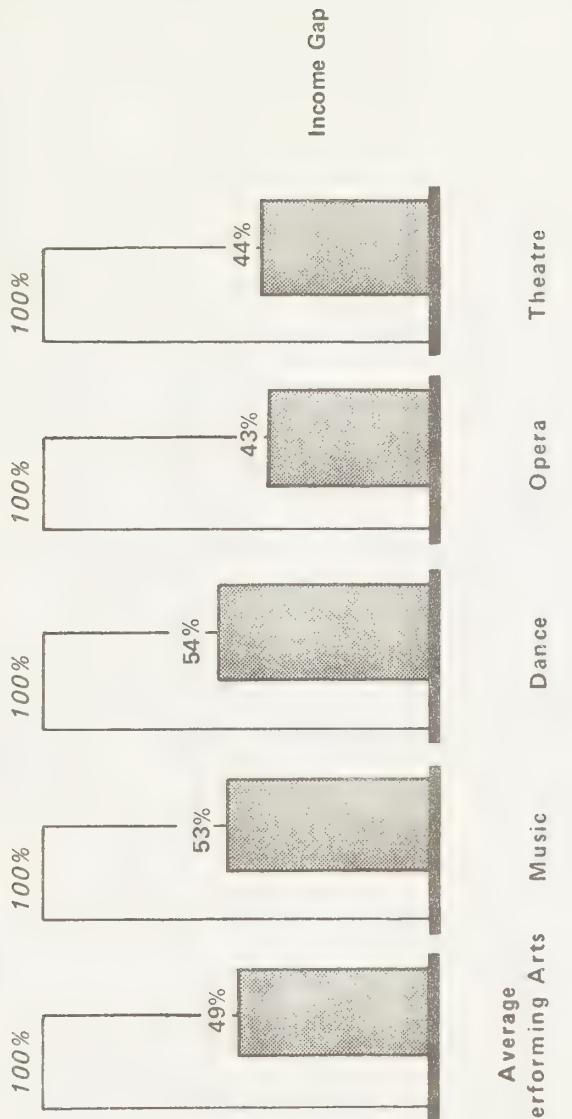


IN CANADA, THE PERFORMING ARTS TYPICALLY SUFFER AN INCOME GAP . . .

1970-71 only (\$'000)

	Total	Music	Dance	Opera	Theatre
Operating expenses	20,401	7,330	3,208	1,924	7,939
Operating revenue	10,455	3,341	1,441	1,024	4,649
Income gap	9,946	3,989	1,767	900	3,290
Gap as Percent of Expenses	49	54	55	47	41

Average:
1966-67 - 1970-71

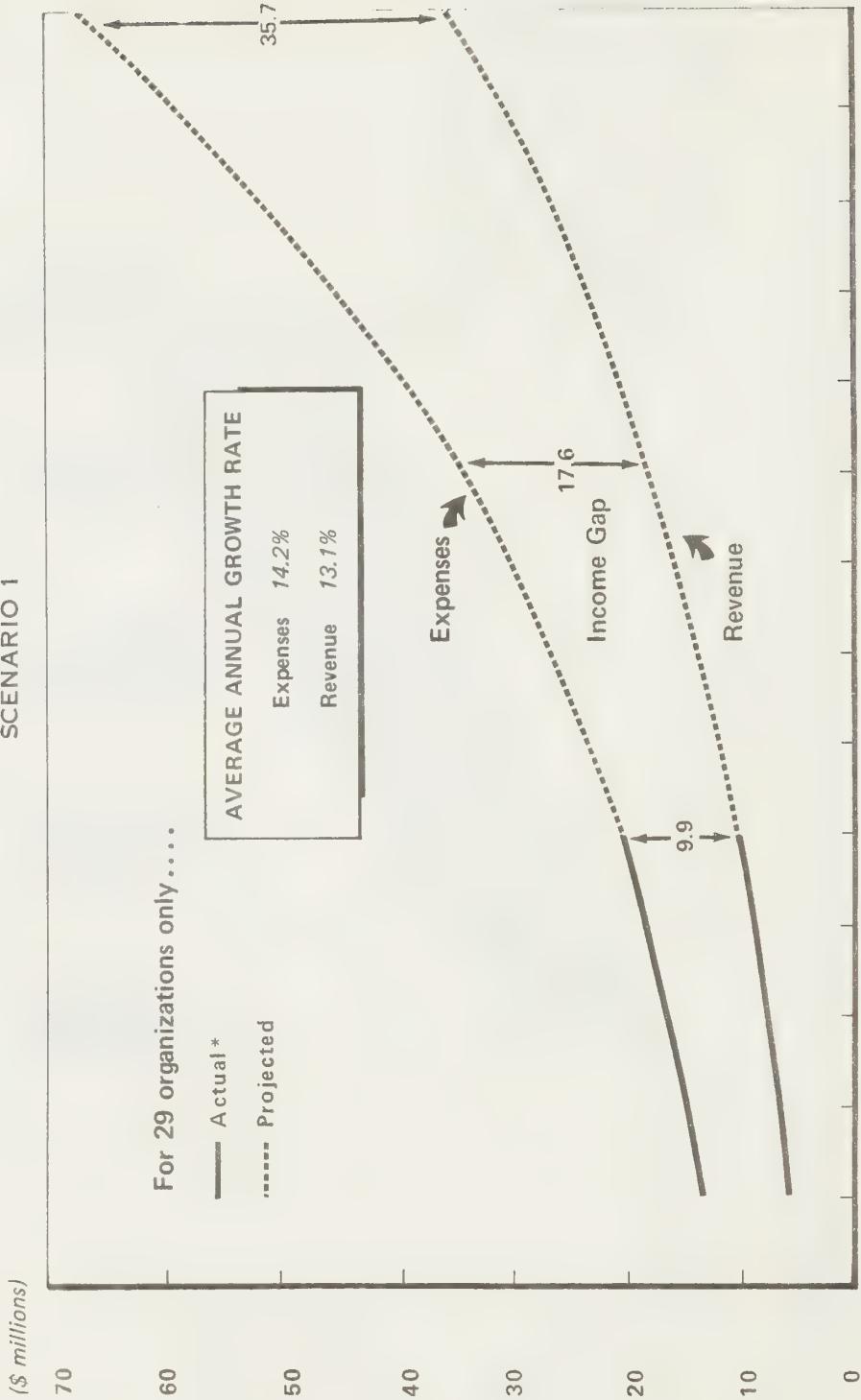


Operating Expenses

Operating Expenses less Operating Revenue

Source: Canada Council, data for 29 organizations supported since 1966-67

IN ALL, THE PERFORMING ARTS' INCOME GAP CAN BE EXPECTED TO INCREASE . . .



* - Source: Canada Council

Exhibit 4

IN ALL, THE PERFORMING ARTS' INCOME GAP CAN BE EXPECTED TO INCREASE

SCENARIO 1 (\$000)	Actual* 1970-71	Average Annual Growth Rate	Projected 1971-72	1972-73	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Operating Expenses	20,401	14.2%	23,298	26,606	30,384	34,699	39,626	45,253	51,679	59,017	67,397
Operating Revenue	10,455	13.1%	11,825	13,374	15,126	17,107	19,348	21,882	24,749	27,991	31,658
Income Gap	9,946	-	11,473	13,232	15,258	17,592	20,278	23,371	26,930	31,026	35,739
Income Gap as Percent of Expenses	48.7%	-	49.2%	49.7%	50.2%	50.6%	51.1%	51.6%	52.1%	52.5%	53.0%
<u>SOURCE OF SUBSIDY **</u>		Source	%								
Canada Council Support	4,842	48	5,506	6,351	7,323	8,445	9,733	11,218	12,927	14,893	17,155
Provincial	2,086	20	2,295	2,646	3,052	3,518	4,056	4,674	5,386	6,205	7,148
Municipal	790	8	918	1,059	1,221	1,407	1,622	1,870	2,154	2,482	2,859
Private	2,382	24	2,754	3,176	3,662	4,222	4,867	5,609	6,463	7,446	8,577

ASSUMPTIONS: 1. Use Council's "29 organization" sample as base case

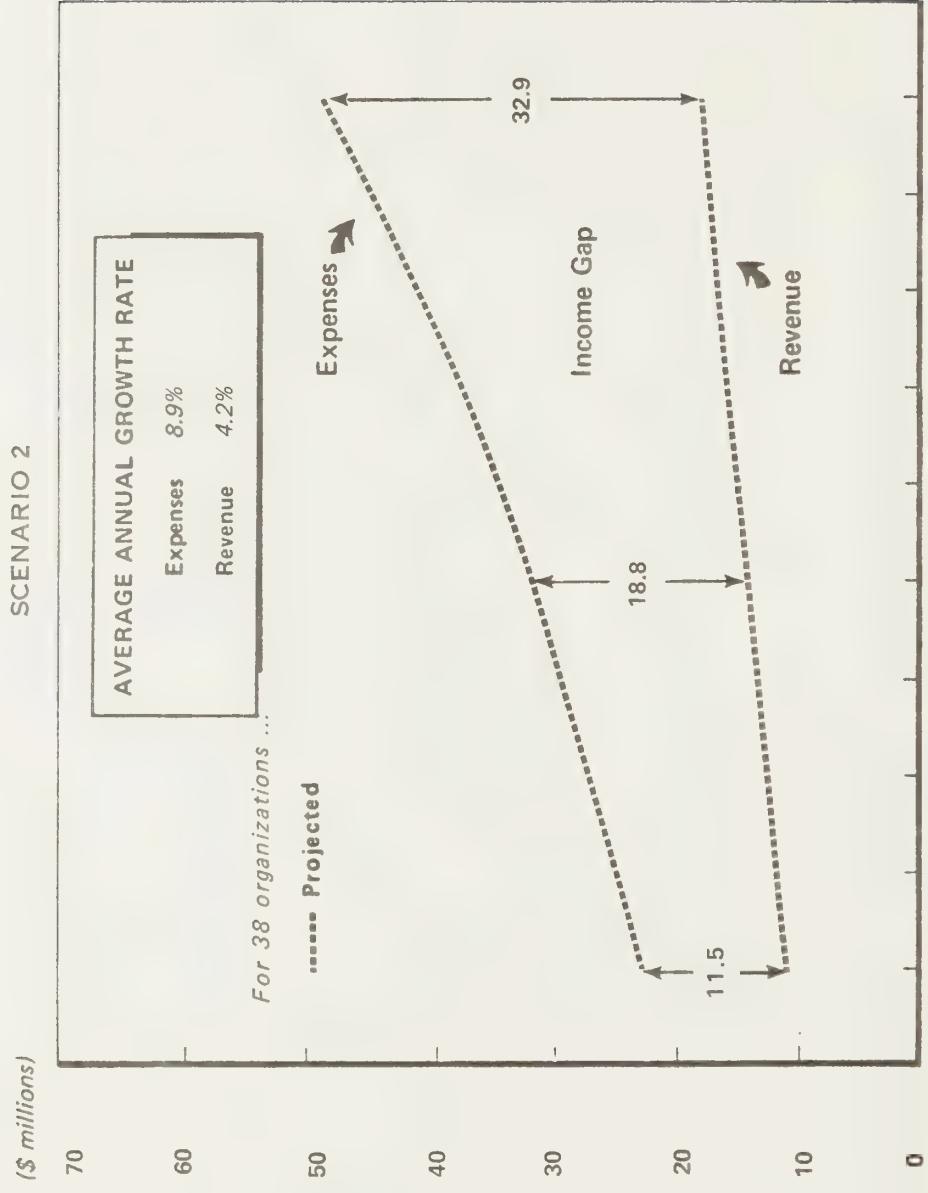
2. Operating expenses rise at 14.2 percent - the historical trend 1966-67 - 1970-71*

3. Operating revenues rise at 13.1 percent - the historical trend 1966-67 - 1970-71*

* — Source: Canada Council

** — Assume income gap completely filled with subsidy in same proportion as 1970/71

THE PERFORMING ARTS' INCOME GAP CAN BE EXPECTED TO INCREASE . . .



Source: Canada Council

IN ALL, THE PERFORMING ARTS' INCOME GAP CAN BE EXPECTED TO INCREASE . . .

SCENARIO 2 (\$000)	Actual* 1970-71	Average Annual Growth Rate	Projected 1971-72						1973-74			1974-75			1975-76			1976-77			1977-78			1978-79		
			1972-73	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1972-73	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1972-73	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Operating Expenses	23,100	8.9%	25,200	27,400	29,800	32,500	35,400	38,500	42,000	45,700	49,800															
Operating Revenue	11,600	4.2%	12,100	12,600	13,100	13,700	14,300	14,900	15,500	16,200	16,900															
Income Gap	11,500	—	13,100	14,800	16,700	18,800	21,100	23,600	26,500	29,500	32,900															
Income Gap as Percent of Expenses	49.7%	—	52.0%	54.0%	56.0%	57.8%	59.6%	61.3%	63.1%	64.6%	66.1%															
<u>SOURCE OF SUBSIDY **</u>																										
Canada Council Support	5,400	48	6,288	7,104	8,016	9,024	10,128	11,328	12,720	14,160	15,792															
Provincial	2,400	21	2,751	3,108	3,507	3,948	4,431	4,956	5,565	6,195	6,909															
Municipal	800	8	1,048	1,184	1,336	1,504	1,688	1,888	2,120	2,360	2,632															
Private	2,500	23	3,013	3,404	3,841	4,324	4,853	5,428	6,095	6,785	7,567															

ASSUMPTIONS: 1. Use the 38 organizations supported in 1970-71 as base case

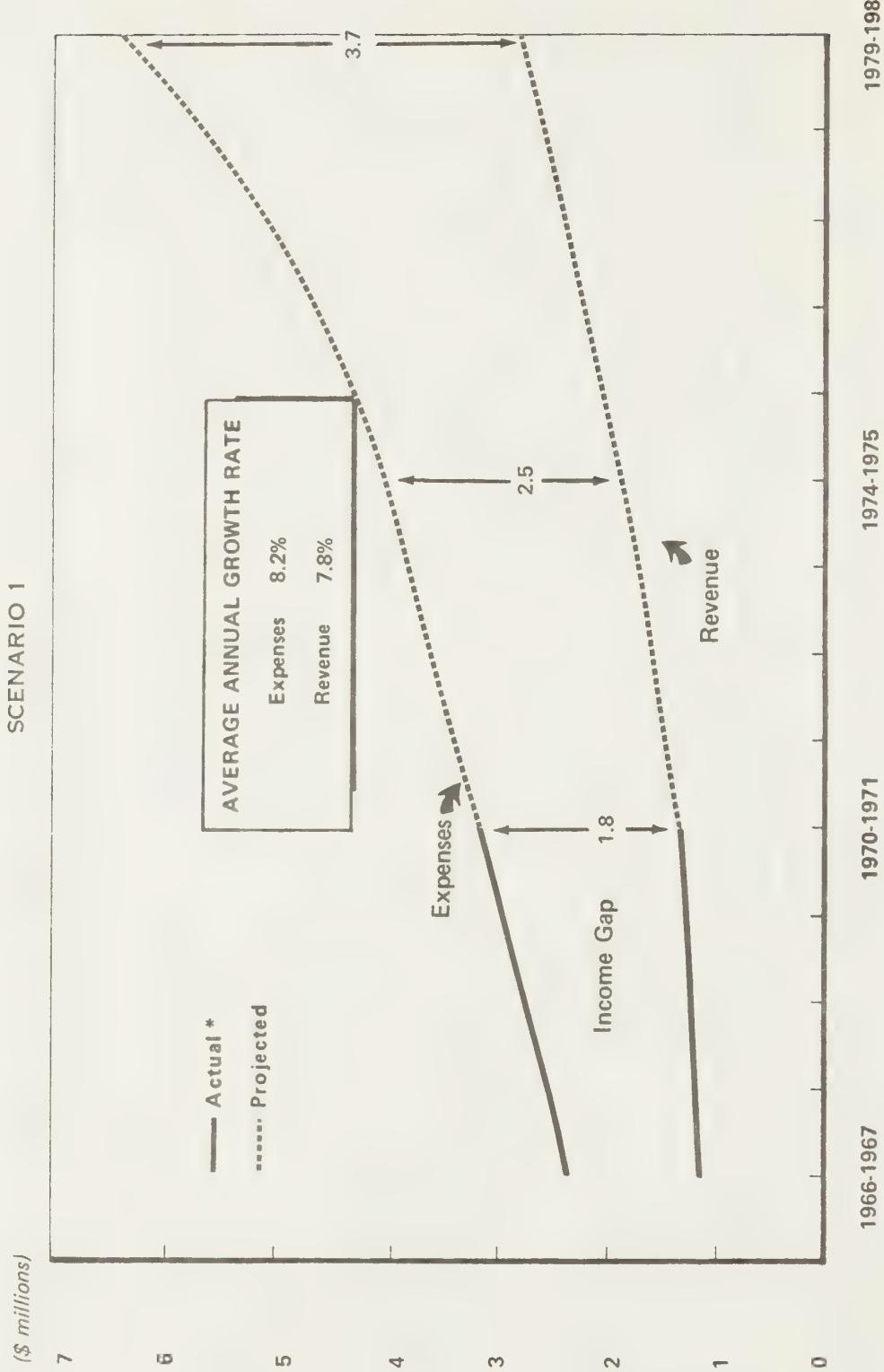
2. Operating expenses rise 8.9 percent per year (average salary increase 1971-72 given by Canadian Statistical Review, July 1972)

3. Operating revenues rise 4.2 percent per year (consumer price increase 1971-72, from CSR, July 1972)

* — Source: Canada Council Blue Book, October 1971 - All Performing Arts

** — Assume income gap completely filled with subsidy in same proportion as 1970/71

DANCE'S INCOME GAP HAS REMAINED CHRONIC TOO, AND WILL LIKELY INCREASE . . .



* - Source: Canada Council

THE DANCE'S INCOME GAP CAN BE EXPECTED TO INCREASE

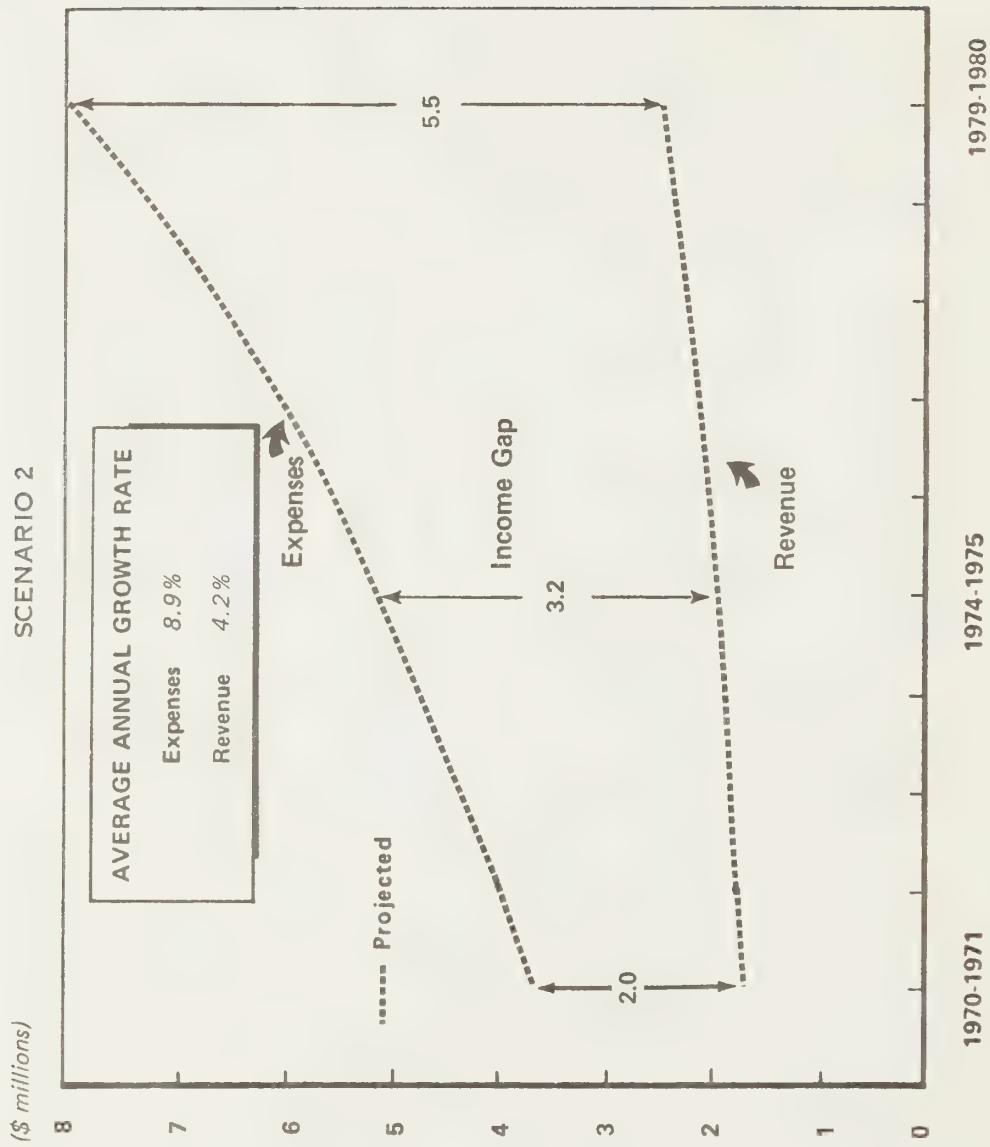
SCENARIO 1 (\$000)	Actual* 1970-71	Average Annual Growth Rate	Projected 1971-72	1972-73	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Operating Expenses	3,208	8.2%	3,471	3,756	4,064	4,397	4,757	5,147	5,569	6,026	6,520
Operating Revenue	1,441	7.8%	1,553	1,674	1,805	1,946	2,097	2,261	2,437	2,627	2,832
Income Gap	1,767	-	1,918	2,082	2,259	2,451	2,660	2,886	3,132	3,399	3,688
Income Gap as Percent of Expenses	55.1%	-	55.3%	55.4%	55.6%	55.7%	55.9%	56.1%	56.2%	56.4%	56.6%
<u>SOURCE OF SUBSIDY **</u>											
Canada Council Support	866	50	960	1,040	1,129	1,225	1,330	1,443	1,566	1,669	1,844
Provincial	324	19	364	396	429	466	505	548	595	646	701
Municipal	115	8	153	167	181	196	213	231	251	272	295
Private	390	23	441	479	520	564	612	664	720	782	848

- ASSUMPTIONS: 1. Use the 4 dance companies in Council's "29 organization" group as base case
 2. Operating expenses rise at 8.2 percent - the historical trend 1966-67 - 1970-71*
 3. Operating revenues rise at 7.8 percent - the historical trend 1966-67 - 1970-71*

* — Source: Canada Council

** — Assume income gap completely filled with subsidy in same proportion as 1970/71

THE DANCE'S INCOME GAP CAN BE EXPECTED TO INCREASE . . .



THE DANCE'S INCOME GAP CAN BE EXPECTED TO INCREASE....

SCENARIO 2 (\$000)	Actual 1970-71	Average Annual Growth Rate	Projected 1971-72	1972-73	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Operating Expenses	3,700*	8.9%	4,000	4,400	4,800	5,200	5,700	6,200	6,700	7,300	8,000
Operating Revenue	1,700**	4.2%	1,800	1,800	1,900	2,000	2,100	2,200	2,300	2,400	2,500
Income Gap	2,000	—	2,200	2,600	2,900	3,200	3,600	4,000	4,400	4,900	5,500
Income Gap as Percent of Expenses	54.0%	—	55.0%	59.0%	60.4%	61.5%	63.1%	64.5%	65.7%	67.1%	68.8%
SOURCE OF SUBSIDY ***		Source %									
Canada Council Support	1,000	51	1,200	1,300	1,500	1,600	1,800	2,000	2,200	2,500	2,800
Provincial	400	19	400	500	500	600	600	700	800	900	1,000
Municipal	100	6	100	200	200	200	300	300	300	300	400
Private	500	24	500	600	700	800	900	1,000	1,100	1,200	1,300

ASSUMPTIONS: 1. Use 4 companies in October 1971 Blue Book plus estimates for 3 others (Toronto Dance Theatre, Winnipeg Contemporary Dancers, and Alberta Ballet Company)

2. Operating expenses rise 8.9 percent per year with average salary increase 1971-72 (Canadian Statistical Review, July 1972)

3. Operating revenues rise 4.2 percent per year, with consumer price increase 1971-72 (CSR, July 1972)

* — 1970-71 Expenses: 3,400 (4 companies in CC October 1971 Blue Book)

$$\frac{300 \text{ (estimated 3 companies - TDT, WCD, and ABC)}}{3,700}$$

** — 1970-71 Revenues: 1,500 (4 companies in CC October 1971 Blue Book)

$$\frac{200 \text{ (estimated for TDT, WCD, and ABC)}}{1,700}$$

*** — Assume income gap completely filled with subsidy in same proportion as 1970/71

WE LOOKED AT THE ECONOMICS OF THE DANCE IN A SYSTEMATIC WAY . . .

WHAT IS
THE BASIC
ECONOMIC PROBLEM?

WHERE DOES
IT LIE?

WHY DOES
DANCE HAVE THIS
ECONOMIC PROBLEM?

Break-even

Revenues

Box Office

Costs

Other

Grants

Publicity

Production

Talent

Donations

Federal

Price per
seat

Administration

Personnel

Personnel

Personnel

Media

Corporation

Provincial

Number
of seats

Overhead

Material

Travel

Choreographer

Spin-offs

Individual

Municipal

Number of
performances

Crew

Advertising

Stage

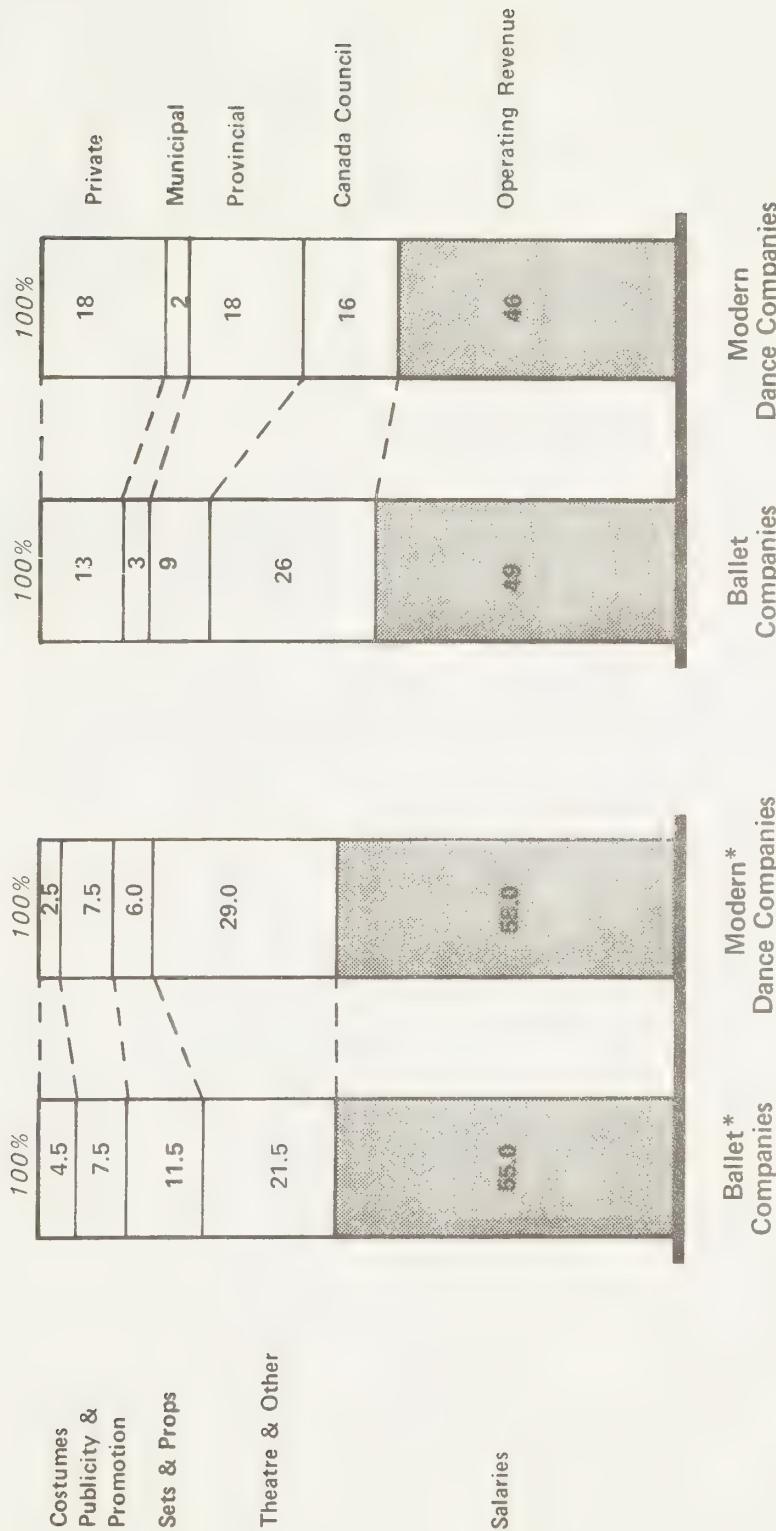
Musicians

Foundation

SALARIES ARE THE LARGEST SINGLE DANCE COST COMPONENT ...

... OPERATING REVENUE IS THE SINGLE LARGEST SOURCE OF REVENUE

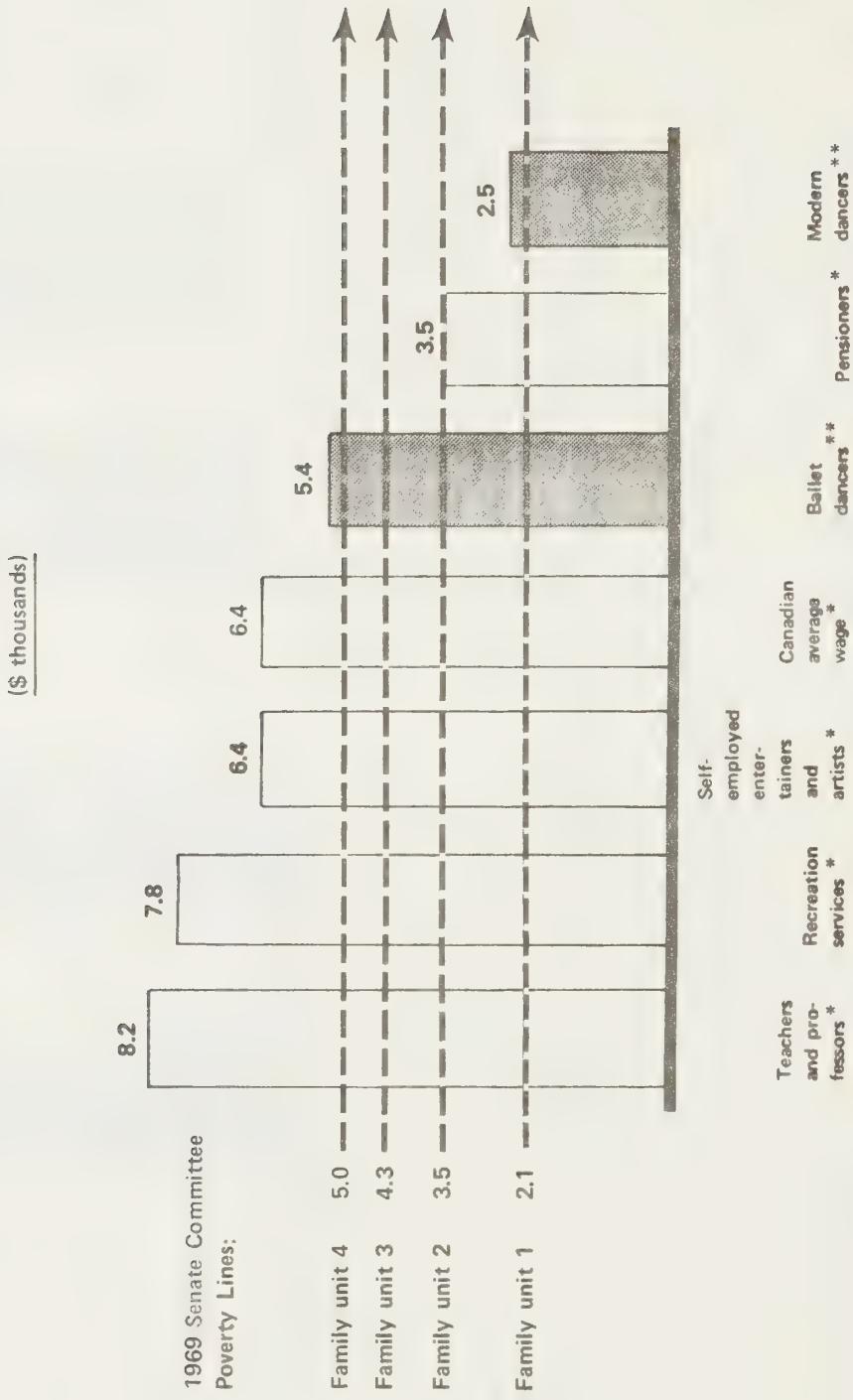
DISTRIBUTION OF COSTS AND REVENUES



* — Models built on Toronto Dance Theatre, Winnipeg Contemporary Dancers, National Ballet Guild and Royal Winnipeg Ballet (1970 – 71)

Source: Ballet: Canada Council
Modern: Companies

DANCERS ARE VERY POORLY PAID . . .



* - Source: *Taxation Statistics: Average Income - Taxable returns by occupation*

** - Estimated average annual wage

ASSUMPTIONS: MODEL FOR INCREMENTAL TOURING COSTS

BALLET COMPANY	MODERN DANCE COMPANY
<p>1. 60 dancers @ \$84/week 2. 20 musicians @ \$105/week 3. 10 crew and technicians @ \$100/week 4. 5 salaried @ \$210/week</p> <p>5. Administrative costs a. \$2,000 long distance b. \$1,000 short distance</p> <p>6. Publicity and promotion a. \$15,000 first week b. +\$5,000 each additional week</p> <p>7. Transportation</p> <ul style="list-style-type: none"> a. Personnel <ul style="list-style-type: none"> i. Chartered plane \$13,000 and buses \$ 200 for long distance ii. Buses \$ 700 for short distance b. Equipment <ul style="list-style-type: none"> i. Trucks \$10,000 long distance* ii. Trucks \$3,500 short distance 	<p>1. 10 dancers @ \$70/week 2. 3 crew and technicians @ \$70/week</p> <p>3. Administrative costs \$500</p> <p>4. Publicity and promotion <ul style="list-style-type: none"> a. \$2,500 first week b. +\$500 each additional week <p>5. Transportation <ul style="list-style-type: none"> a. Personnel <ul style="list-style-type: none"> i. Airfare \$260 per person and rented cars \$200 for long distance ii. Rented cars \$500 for short distance b. Equipment <ul style="list-style-type: none"> i. \$300 long distance ii. \$150 short distance </p></p>

* — Does not include opportunity cost of being unable to perform while sets, props, and costumes are on the road

INCREMENTAL COSTS ASSOCIATED WITH A TOUR
TO A MAJOR CITY 200 MILES DISTANT*

Touring Categories	LARGE BALLET COMPANY			MODERN DANCE COMPANY		
	1 week	2 weeks	3 weeks	1 week	2 weeks	3 weeks
Per Diem	\$9,190 (31)	18,380 (42)	27,570 (48)	910 (20)	1,820 (30)	2,730 (37)
Administrative	1,000 (3)	1,000 (2)	1,000 (3)	500 (11)	500 (9)	500 (7)
Publicity & Promotion	15,000 (52)	20,000 (46)	25,000 (42)	2,500 (55)	3,000 (50)	3,500 (47)
Transport	4,200 (14)	4,200 (10)	4,200 (7)	650 (14)	650 (11)	650 (9)
Total Incremental Cost	29,390	43,580	57,770	4,560	5,970	7,380
Incremental Cost/Tour Performance	3,699	2,724	2,407	570	373	308

* — Based on assumptions outlined in Exhibit 11

INCREMENTAL COSTS* ASSOCIATED WITH A TOUR
TO A MAJOR CITY 2,000 MILES DISTANT

Touring Categories	LARGE BALLET COMPANY			MODERN DANCE COMPANY		
	1 week (%)	2 weeks (%)	3 weeks (%)	1 week (%)	2 weeks (%)	3 weeks (%)
Per Diem	\$9,190 (19)	18,380 (29)	27,570 (35)	910 (12)	1,820 (20)	2,730 (26)
Administrative	2,000 (4)	2,000 (3)	2,000 (3)	500 (6)	500 (5)	500 (5)
Publicity & Promotion	15,000 (30)	20,000 (32)	25,000 (32)	2,500 (32)	3,000 (33)	3,500 (33)
Transport	23,200 (47)	23,200 (36)	23,200 (30)	3,880 (50)	3,880 (42)	3,880 (36)
Total Incremental Cost	49,390	63,580	77,770	7,790	9,200	10,610
Incremental Cost/Tour Performance	6,232	3,973	3,240	974	575	442

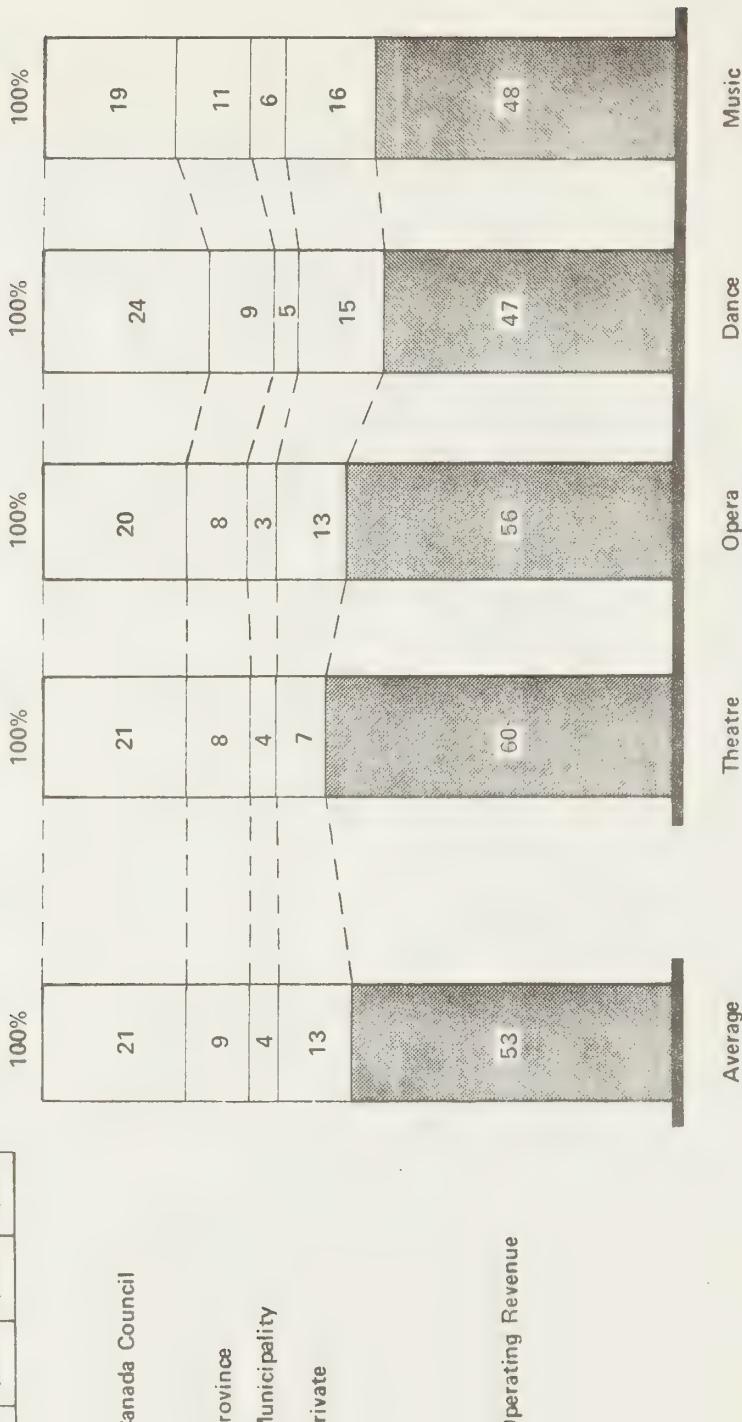
* — Based on assumptions outlined in Exhibit 11

OPERATING REVENUE PROVIDES THE PRINCIPAL SOURCE OF FUNDS . . .

1970-71 (\$'000)

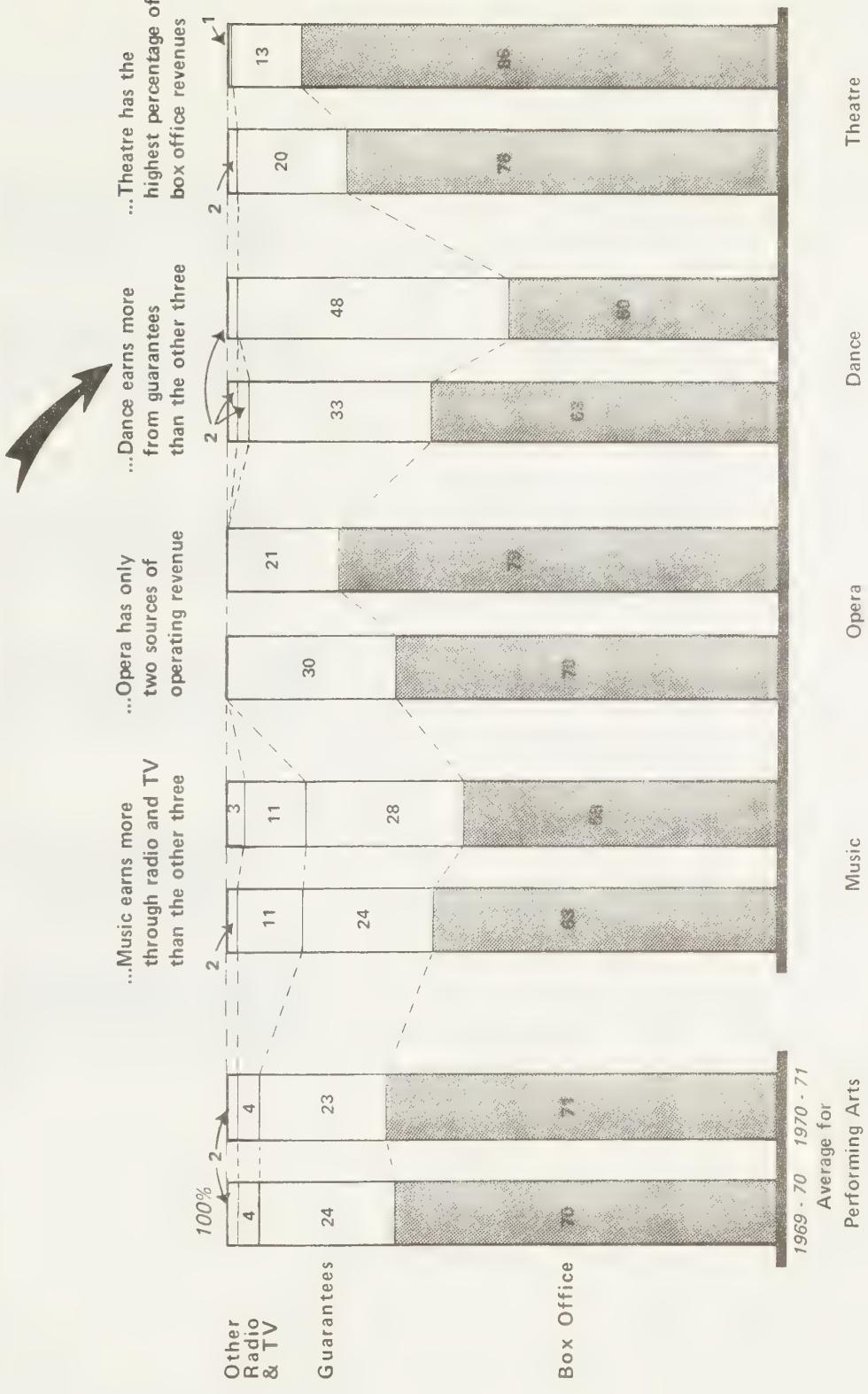
	Total	Theatre	Opera	Dance	Music
Canada Council	4,842	1,908	474	866	1,594
Private	2,382	666	221	390	1,105
Municipality	790	238	65	115	372
Province	2,086	698	168	324	896
Operating Revenue	10,455	4,649	1,024	1,441	3,341

Average for 1966-67 - 1970-71



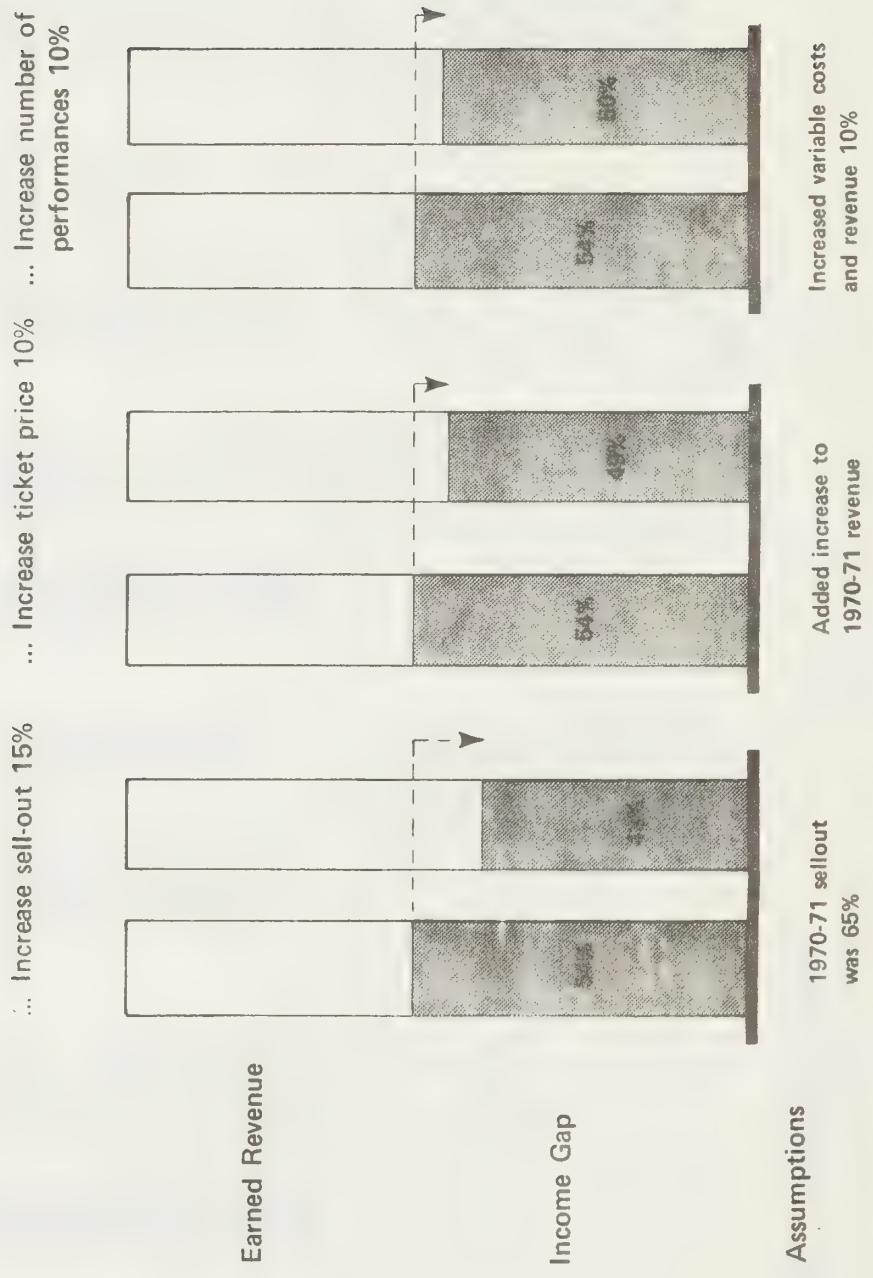
Source: Canada Council

BOX OFFICE PROVIDES THE PRINCIPAL SOURCE OF OPERATING REVENUE FOR EACH OF THE PERFORMING ARTS . . .



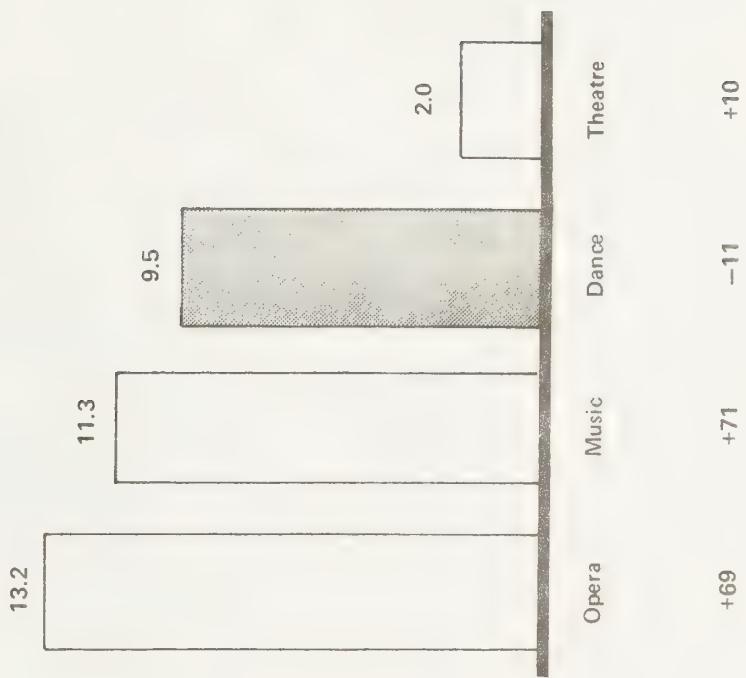
Source: Canada Council

SENSITIVITY ANALYSIS SHOWS SOME, BUT LIMITED, OPPORTUNITY TO REDUCE GAP ON EARNED INCOME SIDE . . .



DANCE RANKS THIRD IN AVERAGE COST PER PERFORMANCE . . .

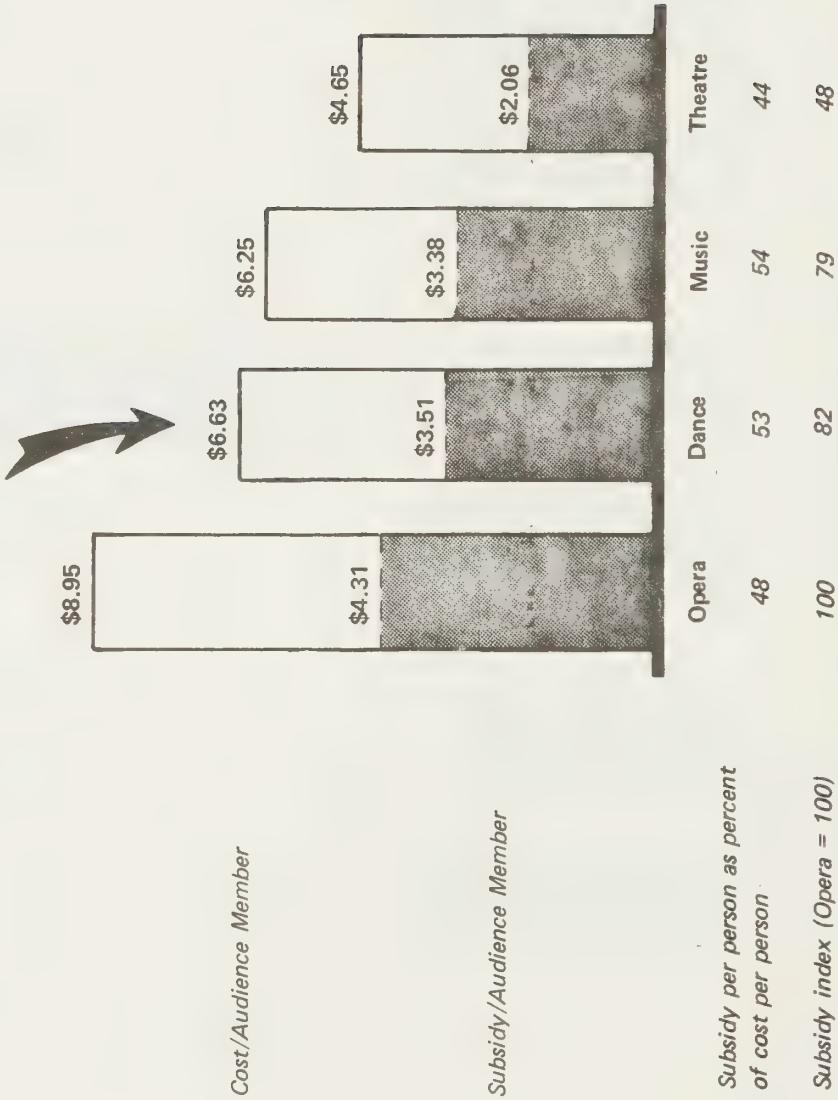
1970-71 (\$ Thousands)



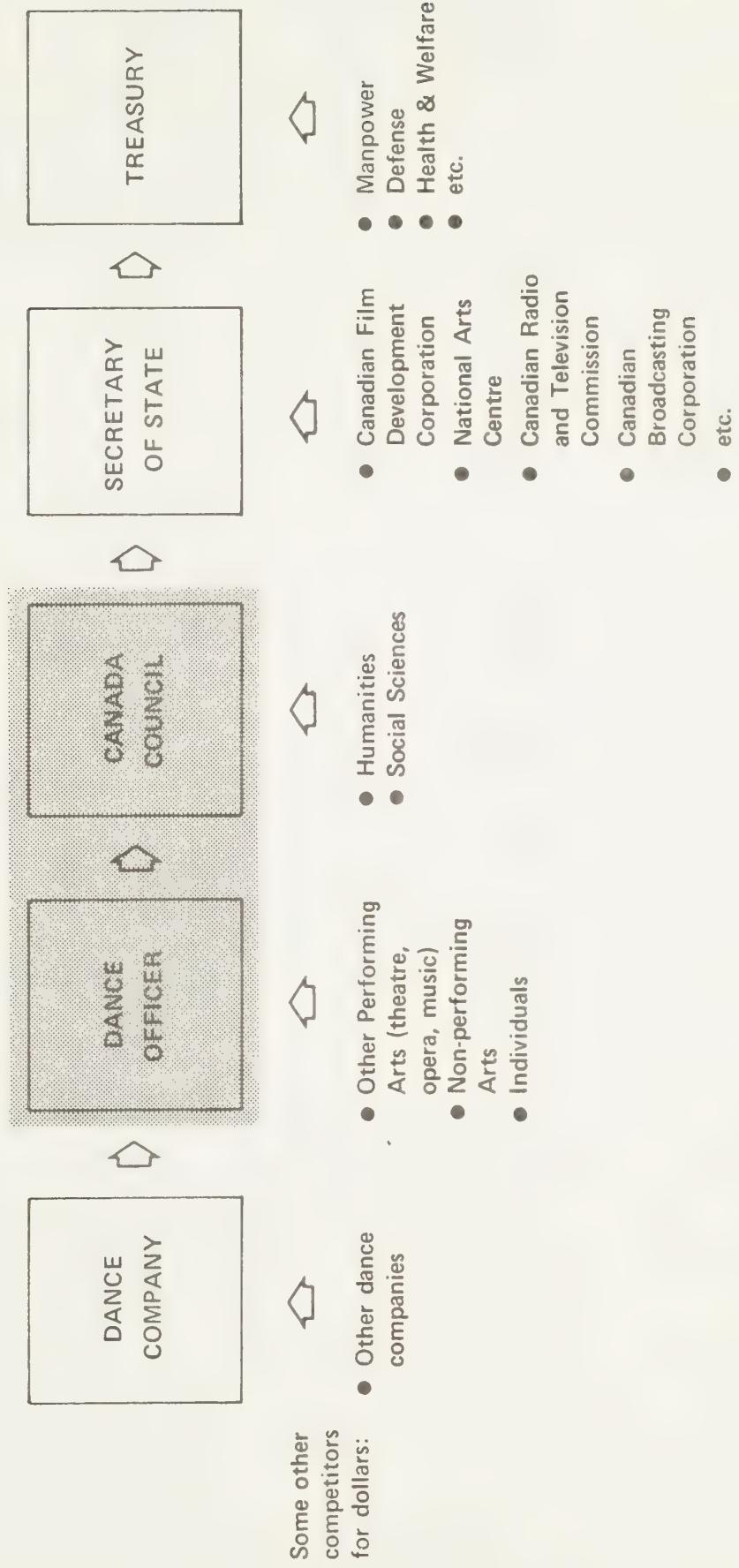
Change between 1966-67
and 1970-71:
+69 +71 -11 +10

DANCE RANKS SECOND IN COST AND SUBSIDY PER AUDIENCE MEMBER

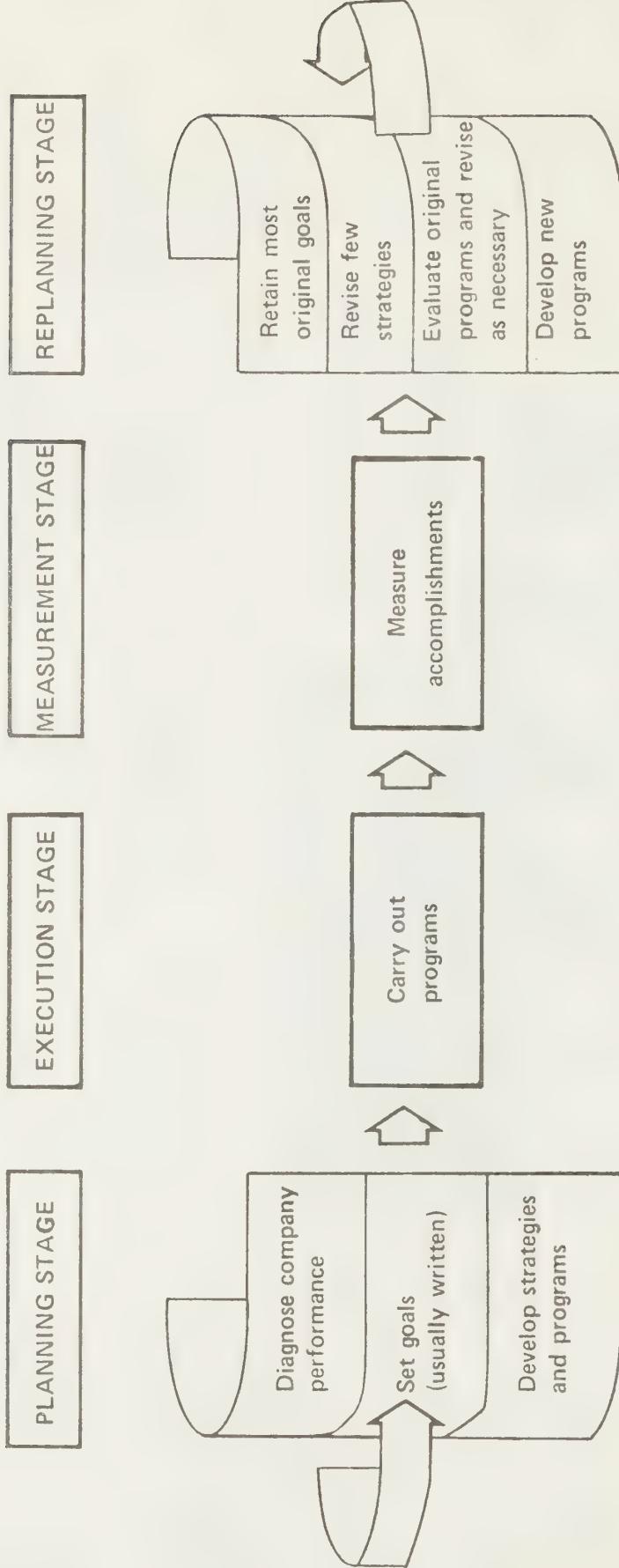
1970 - 71



DANCE MUST COMPETE FOR FUNDS - AT BOX OFFICE, FOR DONATIONS, AND FOR GRANTS -
CONSIDER THE COUNCIL PROCESS



THE PLANNING AND CONTROL PROCESS



TYPES OF SUBSIDY: PROS AND CONS

Type	Nature	Pro	Con
O R G A N I Z A T I O N S	1. Direct	Unrestricted use for recipient	<ul style="list-style-type: none"> - Maximum spending flexibility for recipient organization
	2. Guarantees	Grant conditional on expense performance	<ul style="list-style-type: none"> - Wasteful use of public funds limited
	3. Flexible	Puts ceiling on grant total	<ul style="list-style-type: none"> - Allows for situation where costs legitimately unpredictable
	4. Matching	Donors available to match other sources	<ul style="list-style-type: none"> - Leverages dollars by requiring broader base of support - Increases confidence of other granting sources in recipient - Gives credentials to recipient for seeking other funding sources - Especially good for non-recurring purposes
	5. Functional	Specifically designated for one aspect of operations	<ul style="list-style-type: none"> - Assists with problem area - Use for funds clearly delineated, reducing possibility of waste
	6. Specific Programs	Funds awarded on a project basis, e.g., 1. New/neglected works 2. Specific tour itinerary 3. Upgrading management expertise	<ul style="list-style-type: none"> - Enables direct allocation of funds according to national objectives - Can cover specific operating expenses cross-functionally
	7. Residency	Supports artist in residence	<ul style="list-style-type: none"> - Increases public contact with the artist and his work - Provides audience for artists - Enriches recipient's program
I N D I V I D U A L	1. Commissions	Purchase of new work of art	<ul style="list-style-type: none"> - Increases public display of art - Acknowledges and supports an accomplished artist
	2. Prizes	Award for accomplishment	<ul style="list-style-type: none"> - Gives public recognition to artist - Supplements already low income
	3. Short-Term	Limited period grant	<ul style="list-style-type: none"> - Meets urgent need of artists - Can be used for varying purposes
	4. Direct	Unrestricted funds	<ul style="list-style-type: none"> - Maximum flexibility to recipient - Financial support when most needed to foster career
	5. Awards	Specific purpose funding, e.g., 1. Travel 2. Professional training in arts and arts administration	<ul style="list-style-type: none"> - Enables allocation of funds according to special needs

DANCE COMPANIES CAN UPGRADE THEIR SUBSIDY REQUESTS BY CARRYING OUT FOUR BASIC STEPS

THESE BASIC STEPS:

**1. Define company's aims
and objectives**



**2. Identify major objectives
for the coming year**



**3. Compare proposed year's
programs with previous
year(s)**



**4. Justify subsidy request
in cost-benefit terms**

... SHOULD ANSWER THESE KINDS OF QUESTIONS:

- Where are we going artistically?
- Where do we stand now?
- What are our basic thoughts on matters of repertoire, style, size of company, etc.?

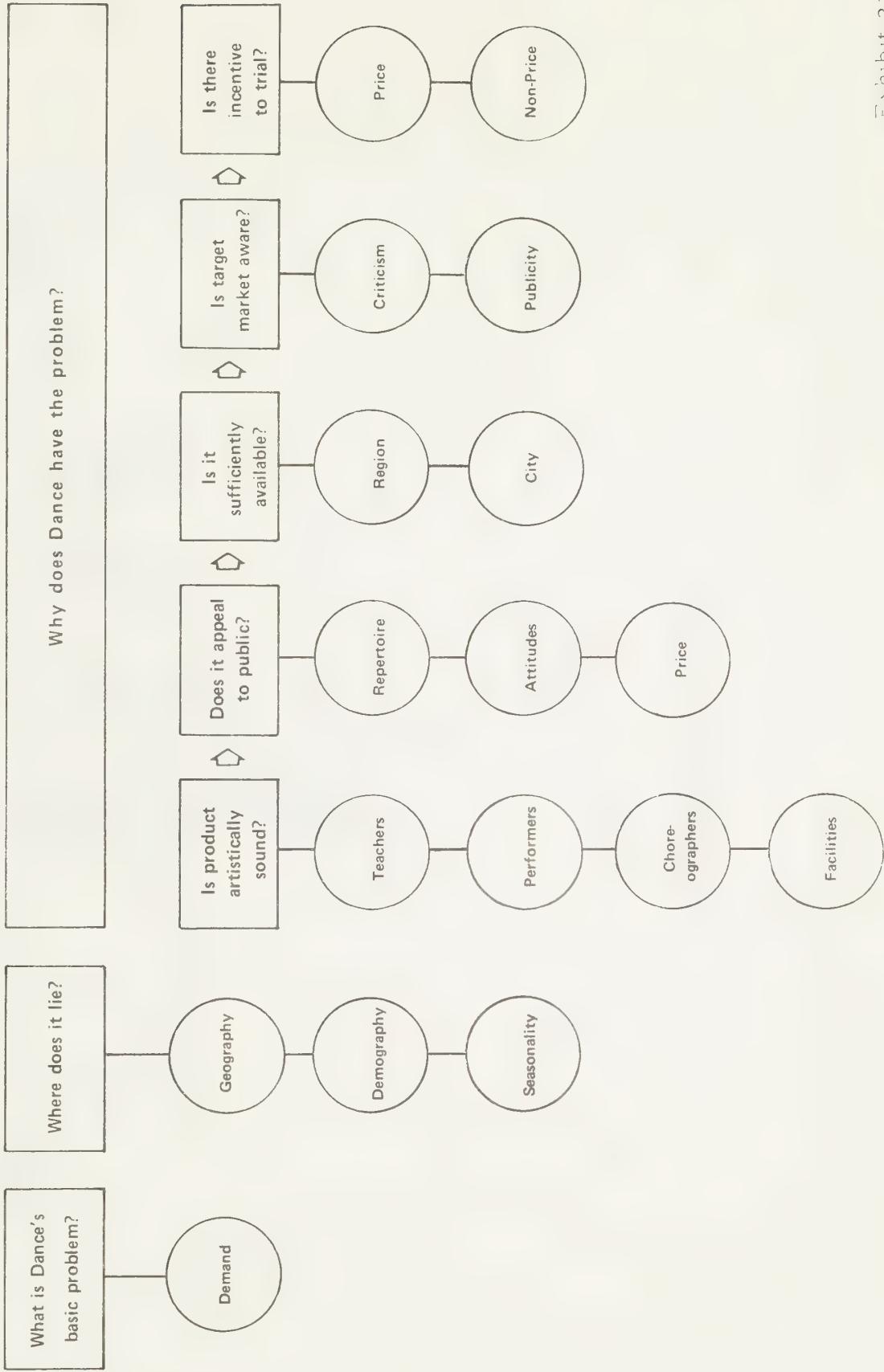
- What are we basically trying to do this year ... in terms of
 - Employment (number and duration)?
 - New works?
 - Other special activity?

- What have we learned from the past?
 - What do we plan to do differently?
 - How do our plans relate to our basic aims and objectives?

- What benefits will the subsidy return ...
 - Audience reached in Canada? Elsewhere?
 - New cities visited?
 - Educational activities?

Note: A company which carries out these steps systematically and comprehensively will then be able to prepare a memorandum which, when submitted together with the formal numerical requirements, will enable the assessor to more fully appreciate the "letter and the spirit" of the request.

WE LOOKED AT THE DANCE'S AUDIENCE DEVELOPMENT PROBLEM USING A SYSTEMATIC APPROACH . . .



ARTS ATTENDANCE RANKS WELL BEHIND OTHER EVENTS IN CANADA . . .

Percent Attending Paid or Free Event



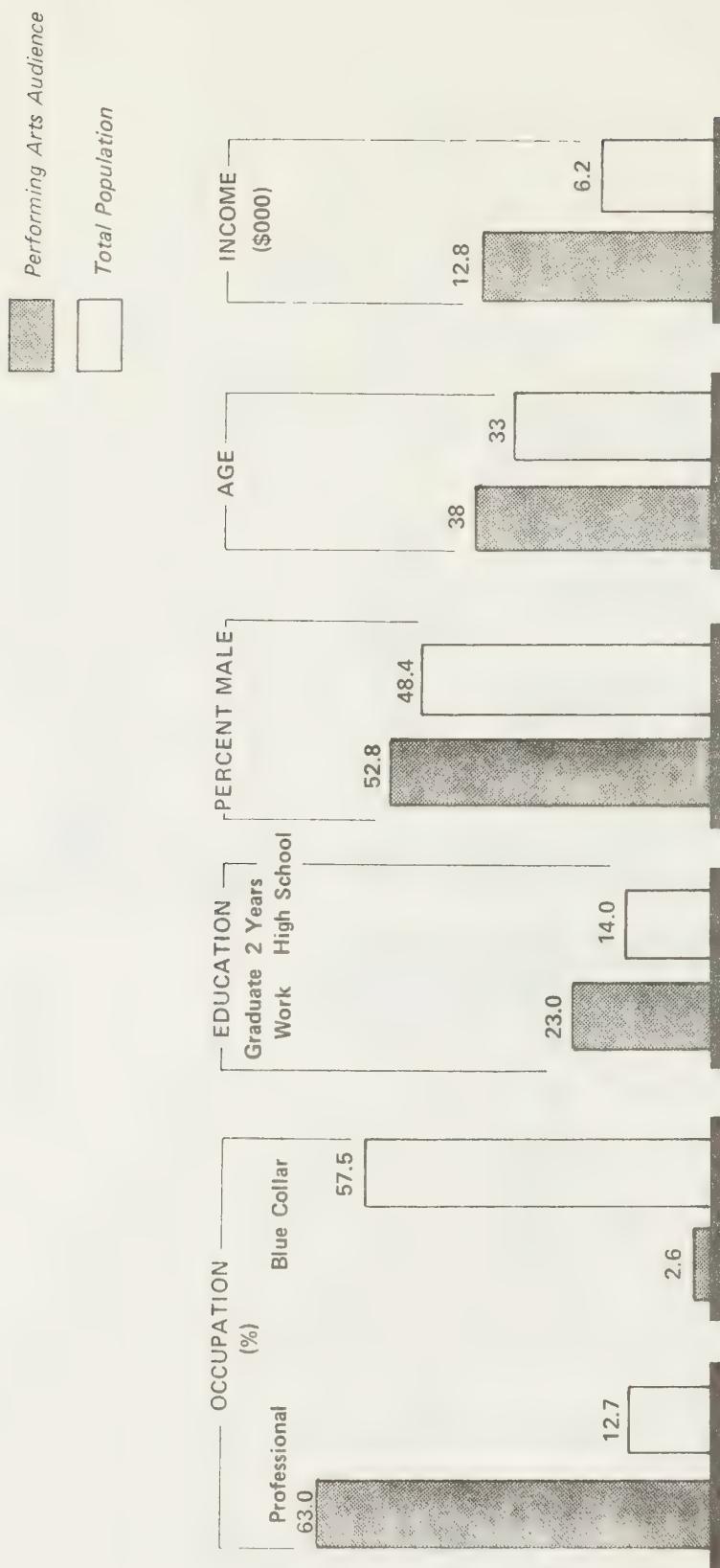
Note: Data should be used with caution due to questionnaire design and field timing.

Source: Statistics Canada Study for Secretary of State.

LOW ATTENDANCE PERSISTS ACROSS CANADA, WITH QUEBEC HIGHEST
AND ATLANTIC LOWEST . . .



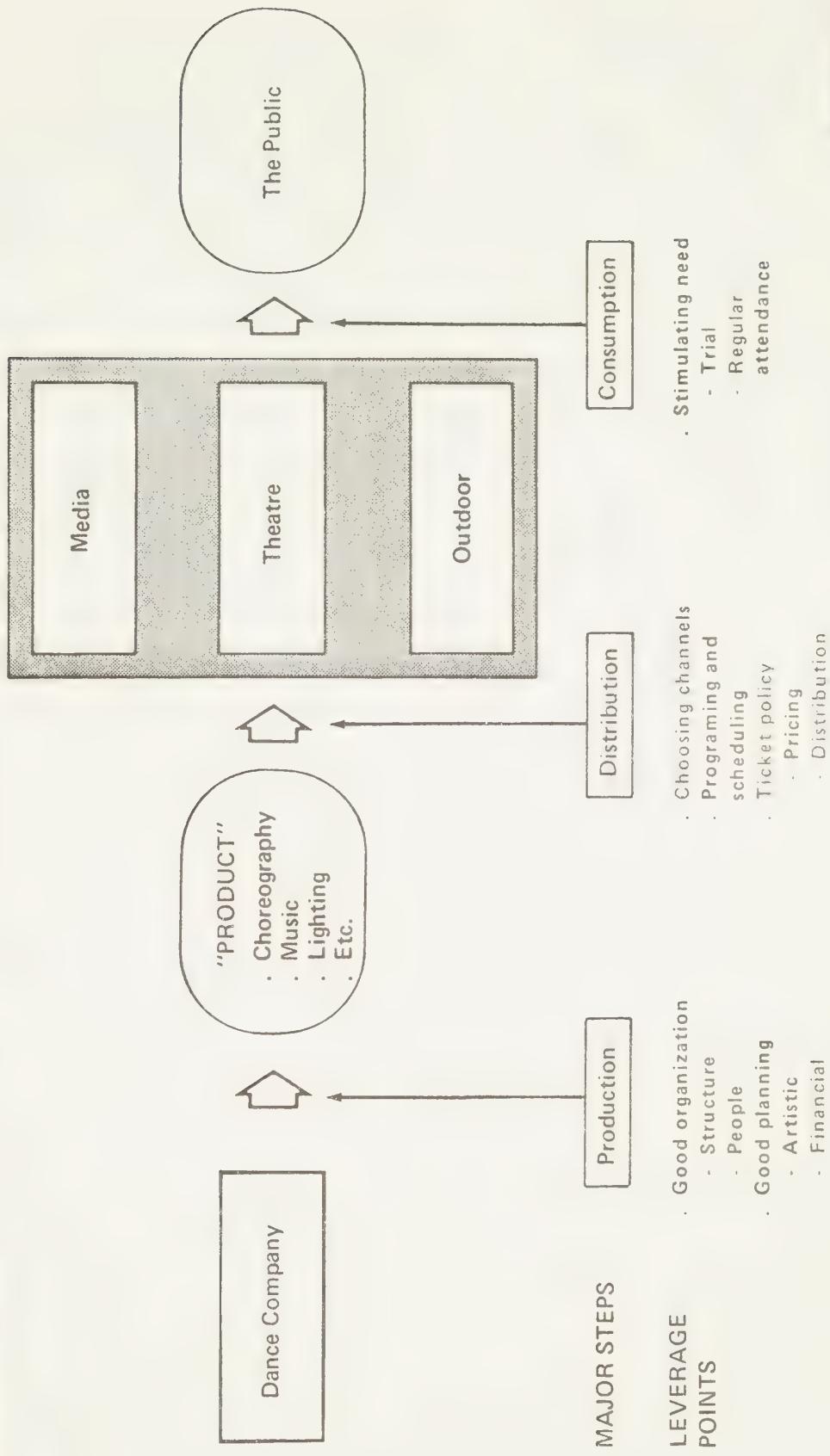
PROFILE OF TYPICAL PERFORMING ARTS AUDIENCE REVEALS RELATIVELY
HIGH EDUCATION AND AFFLUENCE . . .



Source: Twentieth Century Fund (U.S.), audience analysis

AT A CONCEPTUAL LEVEL, A DANCE COMPANY PRODUCES AND DISTRIBUTES A "PRODUCT" FOR PUBLIC CONSUMPTION . . .

GOAL:
**MAXIMUM ARTISTIC
EXCELLENCE WHILE
BREAKING EVEN**



Example Only

PROFILE: ABC COMPANY

A. GENERAL INFORMATION

1. Year of Founding

1969-70	1970-71	1971-72	1972-73	1973-74	1974-75
---------	---------	---------	---------	---------	---------

2. Length of Season - Total (weeks)

- . Rehearsal
- . Performance

3. Personnel - Total

- . Dances
- . Administrative
- . Technical
- . Publicity

4. Weekly Wage Rates

- . Dancers - Average
 - Minimum home
 - Maximum home
 - Minimum tour
 - Maximum tour
- . Musicians - Average
 - Minimum home
 - Maximum home
 - Minimum tour
 - Maximum tour
- . Administrators - Average
 - Minimum
 - Maximum
- . Publicity & Promotion -
Average
 - Minimum
 - Maximum

5. No. of Performances - Total

- . Home
- . Tour - Canada
- . Tour - U.S.A.
- . Tour - Other

6. Ticket Prices

- . Home - Maximum
 - Minimum

7. Average House Capacity

- . Home
- . Tour 1.
 - 2.
 - 3.

B. FINANCIAL DETAILS

	<u>1969-70</u>	<u>1970-71</u>	<u>1971-72</u>	<u>1972-73</u>	<u>1973-74</u>	<u>1974-75</u>
1. Revenues - Total						
a. Operating - Total						
1. Box Office						
2. Subscription						
3. Guarantees						
4. Radio and TV						
5. Other						
b. Non-Operating - Total						
1. Canada Council						
2. Province						
3. Municipality						
4. Business Corporations (No.)						
5. Foundations (No.)						
6. Bequest (No.)						
7. Individuals (No.)						
2. Expenses - Total						
a. Wages and Salaries - Total						
1. Talent						
2. Artistic and Creative						
3. Administrative						
4. Technical						
5. Publicity						
6. Other						
b. Sets and Props						
c. Costumes						
d. Theatre Related						
e. Administrative						
f. Publicity and Promotion						
3. Net Income (Deficit)						
<u>C. FINANCIAL SUMMARY</u>						
1. Total Expenses						
2. Minus Total Revenue						
3. (Income Gap) i.e., Deficit Before Other Revenues						
4. Add Canada Council						
5. Income (Deficit) Before Other Revenues						
6. Add Province						
7. Income (Deficit) Before Other Revenues						
8. Add Municipal						
9. Income (Deficit) Before Other Revenues						
10. Add All Other Revenues						
11. Net Income (Deficit)						

Example Only

PROFILE: ABC SCHOOL

A. GENERAL INFORMATION

1. Date of founding

	1969-70	1970-71	1971-72	1972-73	1973-74	1974-75
--	---------	---------	---------	---------	---------	---------

2. Number of pupils - total -

- a. British Columbia
- b. Prairies
- c. Ontario
- d. Quebec
- e. Atlantic
- f. Other

3. Number of teachers - total

- a. Ballet
- b. Modern
- c. Jazz
- d. Ethnic
- e. Academic
- f. Other

4. Number of support staff -

total

- a. Administrative
- b. Musicians
- c. Other

B. FINANCIAL INFORMATION

1. Revenues - total

a. Operating - total

Full-time students
Part-time students
Summer school
Special sessions
Other

	<u>1969-70</u>	<u>1970-71</u>	<u>1971-72</u>	<u>1972-73</u>	<u>1973-74</u>	<u>1974-75</u>
1. Revenues (continued)						
b. Non-operating - total						
Canada Council						
Province						
Municipality						
Business Corps.						
Foundations						
Bequests						
Individuals						
Other						
2. Expenses - total						
a. Salaries - total						
Teachers						
Support staff						
b. Building expenses						
c. Food						
d. Text books						
e. General and admin.						
f. Auditions						
g. Performances						
h. Scholarships						
i. Other						
3. Net income (deficit)						
<u>C. FINANCIAL SUMMARY</u>						
1. Total expenses						
2. Minus operating revenues						
3. Income (deficit) before other revenues						
4. Add Canada Council						
5. Income (deficit) before other revenues						
6. Add Province						
7. Income (deficit) before other revenues						
8. Add Municipality						
9. Income (deficit) before other revenues						
10. Add private and other contributions						
11. Net income (deficit)						

THE PUBLIC SECTOR EXECUTIVE . . . OF NECESSITY A MAN FOR ALL SEASONS . . .

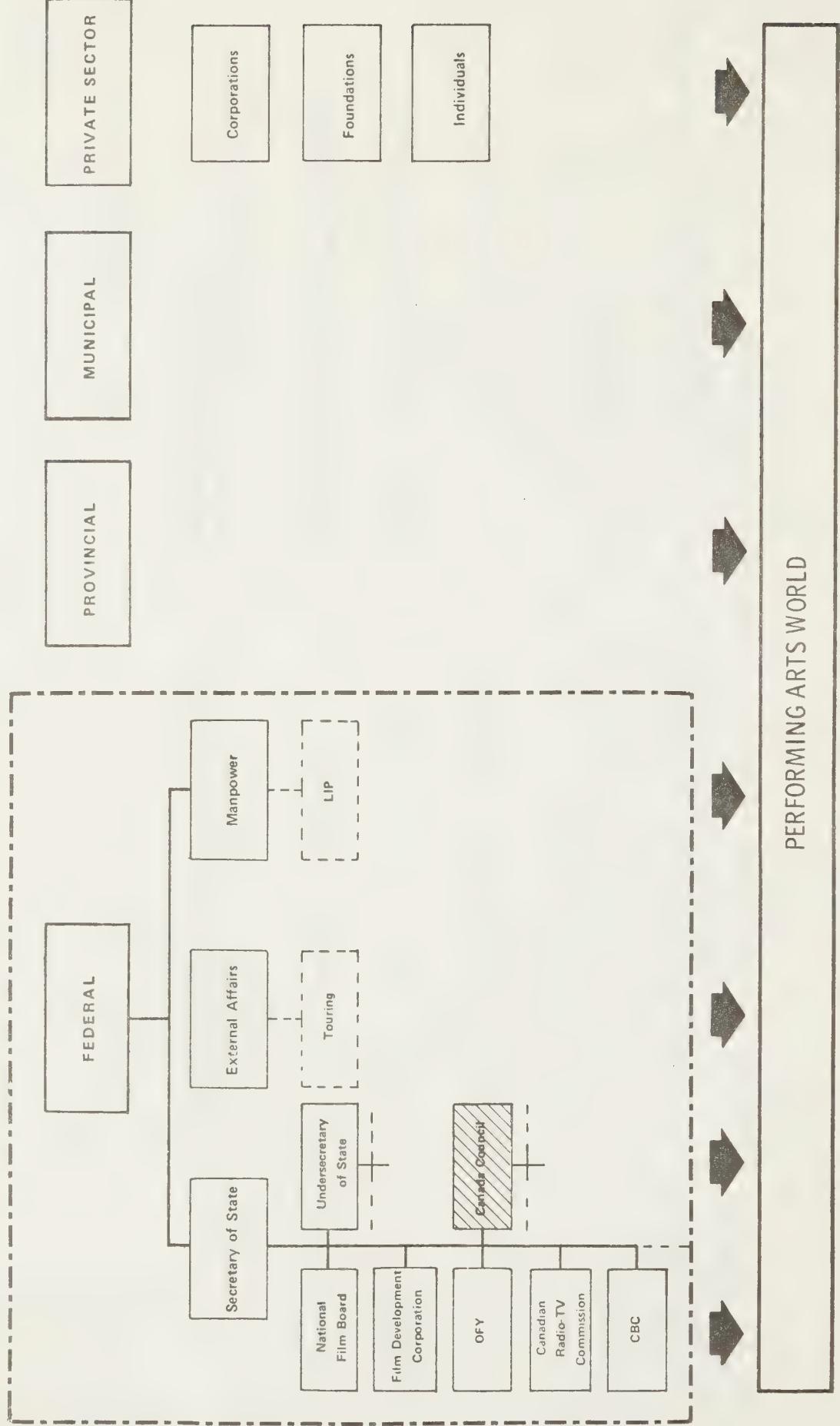
THE MANAGEMENT TASK ENVIRONMENT IS TOUGHER . . .

MANAGEMENT TASK	PRIVATE SECTOR	PUBLIC SECTOR
Analysis	<ul style="list-style-type: none">● Defined environment (the market)● Highly quantifiable● Constant and accepted parameters● Established techniques (market and economic analysis)	<ul style="list-style-type: none">● Ill-defined environment● Insufficiently quantifiable● Changing parameters● Search for valid techniques
Mission and Objectives	<ul style="list-style-type: none">● Deterministic: Economic survival<ul style="list-style-type: none">— Volume, S.O.M., R.O.I.— Continuity of effective management	<ul style="list-style-type: none">● Politically established● Harder to spell out and communicate
Strategies	<ul style="list-style-type: none">● Market reactive● Economic criteria	<ul style="list-style-type: none">● Political reactive● Subjective criteria
Programs and Budgets	<ul style="list-style-type: none">● Result orientation● Directly tie in to specific objectives and strategies● Profit centre budgeting	<ul style="list-style-type: none">● Activity orientation● Overlap, conflict, hard to define● Program budgeting recently superimposed on line budgeting
Performance Measure and Control		<ul style="list-style-type: none">● Clear and accepted performance criteria● Tie in to final measure - e.g., Return on Investment of the arts● Adequate data, recognized accounting principles● Must use surrogate or proxy criteria● Data scarce

... AND THE DECISION-MAKING CLIMATE IS MORE DIFFICULT

DECISION-MAKING CLIMATE	PRIVATE SECTOR	PUBLIC SECTOR
People	<ul style="list-style-type: none"> Intra-company hierarchy; defined accountability and lines of communication; maximize gain at expense of competition 	<ul style="list-style-type: none"> Pluralism; minimize loss to many parties at interest
Documentation	<ul style="list-style-type: none"> Follow lines of responsibility; pinpoint the risk 	<ul style="list-style-type: none"> Involve all interested parties; syndicate the risk
Constraints	<ul style="list-style-type: none"> Objective: Market, economic, technological 	<ul style="list-style-type: none"> Subjective: Legislative, fiscal, public, political
Accountability	<ul style="list-style-type: none"> Specific: Employees and shareholders; results 	<ul style="list-style-type: none"> General: "Public" accountability with more checks; actions as well as results
Equity	<ul style="list-style-type: none"> Decision can favor sectors and segments according to profit potential 	<ul style="list-style-type: none"> Decision must attempt to serve all elements of the public equally

MANY ORGANIZATIONS ARE INVOLVED IN THE PROCESS OF ENCOURAGING AND SUPPORTING THE PERFORMING ARTS . . .



CULTURAL POLICY GUIDELINES AND THE DANCE

Guideline Category	Dance World Perceptions	Indicated Actual Situation
1. Democratization	Great semantic and conceptual difficulties of understanding (at the Dance Conference). Considerable concern by the larger companies about the problems of reconciling artistic quality and excellence with the need to democratize.	Currently "behind" other performing arts; although audience profile more democratic than for opera.
2. Regionalization	Confusion between role of touring and of regional companies. Regional companies and smaller urban centres feel discriminated against relative to large metropolitan centres.	Only opera is less decentralized. Overall, professional dance activities very concentrated in major urban centres; a few resident companies and limited touring within Canada. Long way to go to catch up to, for example, the United States and the United Kingdom in this respect.
3. Multiculturalism and Pluralism	Not perceived as a serious issue or a difficult requirement for the dance to satisfy. By the very nature of its roots, its inspirations, and its methods of expression, dance is "cross-cultural" and multicultural.	Dance is in a good relative position; amateur (ethnic, folk, and social) dance is very extensive and rooted in ethnic cultures. Dance is biggest single program area for Canadian Folk Arts Council. Audience at professional dance performances seems more ethnically diverse than for other performing arts.
4. Canadian Content	Perceived as a serious and real problem reflecting such factors as the relative youth of professional dance in Canada, lack of resources, e.g., money, teachers, choreographers, dominating influence of classical repertoire, etc.	<p style="text-align: right;"><u>Estimates</u></p> <p><u>Performers:</u> Canadian (50 percent), American (40 percent), other (10 percent).</p> <p><u>Choreographers:</u> Largely Canadian for modern dance and mixed American, European, and Canadian for ballet.</p> <p><u>Others:</u> Predominantly Canadian management, administrative and support staff, except for occasional spectaculars (e.g., Sleeping Beauty). Dancers' wages appear to be lower than that in any other performing art.</p>
5. Intergovernmental Cooperation	A problem of amount of support rather than of coordination. Major frustrations in areas of education jurisdictions, e.g., accreditation of teachers.	Dance overall, and modern dance in particular, much more heavily dependent on federal support relative to provincial and municipal levels than other performing arts.
6. Internationalization	Not perceived as a serious issue or problem; dancers and dance influence is internationally very mobile.	<p>Dance one of Canada's best cultural ambassadors, e.g.,</p> <ul style="list-style-type: none"> - National Ballet: Osaka 1970; European tour 1972. United States tour 1972-73 - Royal Winnipeg Ballet: Europe, Russia, Australia, United States - Grands Ballets Canadiens United States, Europe - Toronto Dance Theatre: Europe, United States

CULTURAL GUIDELINES - PUBLIC IMPLICATIONS FOR THE DANCE

ILLUSTRATION
ONLY

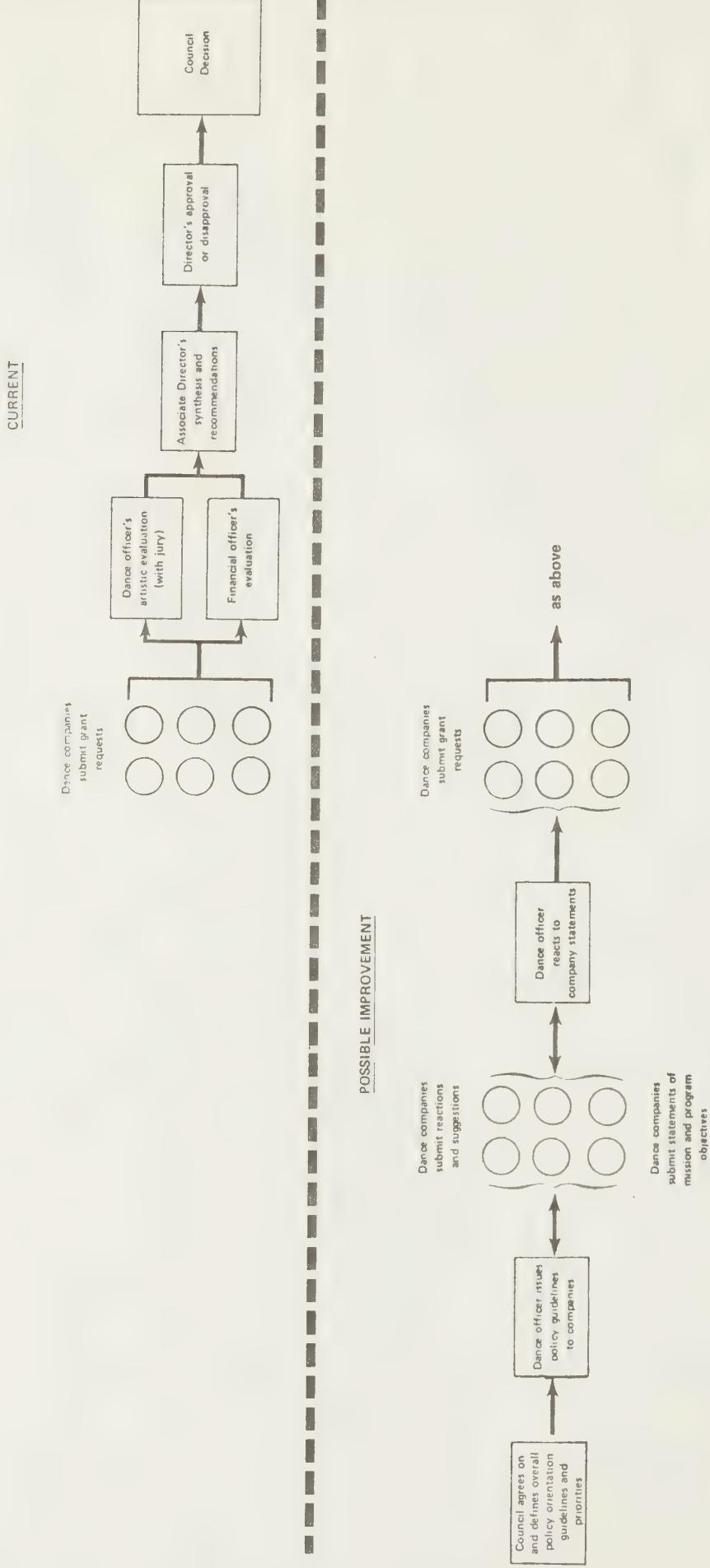
Policy Decision Variables Policy Guidelines	Rate of Growth And Development	Number and N. Of Companies	"Product Line"	Nature and Degree Of Financial Support
1. Democratization	<ul style="list-style-type: none"> - Take initiative and support effort to broaden the audience base - Accelerate growth beyond "natural" rate - stimulate primary demand/trial - Peg growth targets more closely to demographic distributions 	<ul style="list-style-type: none"> - More small companies - More folk dance and modern dance companies - Make dance education more available 	<ul style="list-style-type: none"> - More stress on what 'sells' - Less quality for quality sake - More dissemination versus creation 	<ul style="list-style-type: none"> - Market criteria more important - Higher ratio of individual to institution and small to large company granting supporting grants - Encourage formation of a business council for the arts
2. Regionalization	<ul style="list-style-type: none"> - Peg growth targets more closely to geographic distributions 	<ul style="list-style-type: none"> - More regional companies - Make dance education more available 	<ul style="list-style-type: none"> - More regional roots for repertoire 	<ul style="list-style-type: none"> - Fund allocations more closely tied to regional quotas, - More pressure for greater participation by provincial and municipal governments
3. Multiculturalism and Pluralism	<ul style="list-style-type: none"> - Peg growth targets more closely to ethnic distributions 	<ul style="list-style-type: none"> - As in 1 and 2 - Consider 'affiliated' companies 	<ul style="list-style-type: none"> - Greater folk component in professional repertoires 	<ul style="list-style-type: none"> - As in 1 and 2 (but ethnic versus institutional grants)
4. Canadian Content	<ul style="list-style-type: none"> - Set relative targets, e.g., catch up to U.S. or U.K. - Local penetration levels 	<ul style="list-style-type: none"> - As in 1 and 2 - More/better training - Choreographers - Performers - Teachers 	<ul style="list-style-type: none"> - As in 1 and 2 - More new works by Canadian choreographers - More support for native Indian and Eskimo dance 	<ul style="list-style-type: none"> - More individual versus institutional grants - More rigid granting criteria - More special purpose grants - More teaching teachers
5. Intergovernmental Cooperation	<ul style="list-style-type: none"> - Encourage urban cultural prestige - Suggest elements of provincial 'specialization' 	<ul style="list-style-type: none"> - More distinct labeling of national versus municipal companies 	<ul style="list-style-type: none"> - More provincial/municipal roots for repertoire - 'Allocated patronage' for various elements/types of repertoire 	<ul style="list-style-type: none"> - Greater onus on provincial and municipal levels - Greater rationalization of nature/purpose of grants by level - More aggressive use of subsidies
6. Internationalization	<ul style="list-style-type: none"> - More direct and subjective control of growth patterns - Trade off quantity for quality 	<ul style="list-style-type: none"> - Priority to large/elite companies capable of competing on equal terms - Fewer, higher quality performers 	<ul style="list-style-type: none"> - International opinion, peer group and professional critics views more dominant in repertoire decisions - More classicism - More 'star system' - Emphasis on innovation 	<ul style="list-style-type: none"> - And in funding decisions - More for teaching and training - More for int'l travel - Higher ratio of institution to individual and large to small company granting - Higher concentration of funds

CULTURAL GUIDELINES - PROGRAM IMPLICATIONS FOR THE DANCE

POLICY GUIDELINES	DANCE POLICY ORIENTATION	PRODUCTION	DISTRIBUTION	CONSUMPTION
1. Democratization	<ul style="list-style-type: none"> Take initiative and support effort to broaden base 	<ul style="list-style-type: none"> <u>Repertoire of broader appeal</u> <u>More flexible and extensive seasons</u> Broaden student enrolment 	<ul style="list-style-type: none"> Greater availability touring in under represented areas <u>Scaling to increase affordability</u> <u>More aggressive use of broadcast media</u> Reduce relative importance of subscription audience 	<ul style="list-style-type: none"> <u>Criticism to broaden appeal</u> More extensive in-school dance workshops More extensive use of post-performance seminars
2. Regionalization	<ul style="list-style-type: none"> Take initiative and support effort to diffuse dance 	<ul style="list-style-type: none"> <u>Pay travel related production expenses</u> 	<ul style="list-style-type: none"> Organize <u>tours</u> 	<ul style="list-style-type: none"> Help with local promotion Support local teaching projects
3. Multiculturalism and Pluralism	<ul style="list-style-type: none"> Encourage multiple ethnic influence on professional dance 	<ul style="list-style-type: none"> <u>Repertoire of greater folk-based content</u> Greater use of ethnic costumes and music 	<ul style="list-style-type: none"> Increase appearance of professional companies at folk festivals 	<ul style="list-style-type: none"> Greater use of ethnic press promotion
4. Canadian Content	<ul style="list-style-type: none"> More vigor in ensuring higher Canadian content level 	<ul style="list-style-type: none"> Higher proportion of new works <u>More extensive support for development of Canadian choreographers</u> Higher utilization of Canadian scores, musicians, & set designers 	<ul style="list-style-type: none"> Important role for the National Booking Office Stronger regional promotion 	<ul style="list-style-type: none"> Greater exposure of Canadian school children to the dance Development of prominent Canadian dance critics
5. Intergovernmental Cooperation	<ul style="list-style-type: none"> Seek more active joint support by provincial and municipal levels 	<ul style="list-style-type: none"> More recognizable provincial and municipal "influences" in repertoire 	<ul style="list-style-type: none"> Appearances in provincial milieus, e.g., Ontario Place Local government tour sponsorship 	<ul style="list-style-type: none"> Jointly subsidize audience, e.g., students and pensioners
6. Internationalization	<ul style="list-style-type: none"> Seek internationally acclaimed artistic excellence 	<ul style="list-style-type: none"> Commissions to world-renown choreographers, dancers, designers, composers Produce international dance festivals in Canada 	<ul style="list-style-type: none"> Foreign touring International impresarios Participate in dance festivals 	<ul style="list-style-type: none"> Publicity for foreign criticism

THE PLANNING - FUNDING PROCESS SHOULD PROVIDE BETTER RATIONALE AND CONTROL BY STRENGTHENING ANALYSIS AND DIALOGUE BEFORE FUNDS ARE COMMITTED . . .

Conceptual Overview



Marathon Is Test for Modern Dance

By ANNA KISSELGOFF

Modern dance has reached a state of glorious diversity—and unwieldy fragmentation. This is what will be reflected in the City Center's American Dance Marathon, a six-week, 20-company series, that opens tonight at the ANTA Theater.

The 20 companies—two are actually soloists—will appear on daily programs, each featuring at least two groups. The Marathon will range over two generations, from that of José Limón, Anna Sokolow and Lotte Goslar, concerned primarily with the theatrical expression of emotion, up to an avant-garde apparently more interested in problems of form.

By nature, modern dance is an iconoclastic, individualist art form that rejects the codified rules it sees in ballet. Even how it is presented on stage is in a state of transition.

The ANTA Marathon format comes as the latest of the attempts by institutional theaters such as the City Center since 1968 to give modern dancers the exposure and audiences they have not had in the past. The goal, quite openly, is to attract the large audience support now cornered by ballet.

Getting Audience to Water

Charles Reinhart, producer of the Marathon, expressed his confidence this way: "They say you can lead a horse to water, but you can't make him drink. We're now providing more variety on a single program than before. We know enough of the audience will drink if we can get it into the water."

Artistically, the trend as reflected in the ANTA series is, in effect, no trend. Whereas four years ago, younger choreographer seemed to be moving toward a pure-movement plotless style—a rebellion against the dramatic vein of older generation—that tendency appears less strong today.

"Choreographers now feel free to steer away from non-narrative dance, to be romantic again," says Lewis Lloyd, program director for the performing arts at the New York State Council on the Arts. With the National Endowment for the Arts, the council is funding the ANTA season.

Today's range of options was confirmed by several of the more experimental choreographers in the Marathon. "It is not fashion-

able to do stories these days," said Elizabeth Keen. "But I don't mind a good vignette. My pieces fluctuate between the more dramatic and the more abstract."

Twyla Tharp characterized the change in her company's work this way: "We're just having more fun than we used to." Miss Tharp was once regarded as esoteric, although there has never been any doubt about her creativity. "We're not so compulsive anymore," she

mind, "it has to do with relationships, with people and aloneness."

At heart, modern dance remains a personal form. Its unchanging creed was summed up recently in José Limón's comment on his own "Dances for Isadora," a tribute to Isadora Duncan: "She freed dancers from the academy. She allowed the dancer to be an individual."

This individualism has been modern dance's creative strength. It has also

exception of Alvin Ailey's company, no major modern-dance troupe in the last two years has had regular seasons and the audience support enjoyed by ballet companies in New York City.

The presentation of ballet, once considered the enemy, is now held up as a model. Quality, Mr. Reinhart and Mr. Lloyd maintain, is not the issue in lack of audience support for modern dance.

According to Mr. Lloyd, the kind of general public that attends ballet is confused by what it is being offered in modern dance. In place of a "coherent body of work in a specific place," he said, the general public is usually faced with scattered, irregular seasons by a variety of choreographers it does not always know.

A necessary step in building up the kind of renewable audience that ballet has, they contend, would be the formation of repertory companies. These companies, with works by several choreographers, could function as a parallel development to the traditional, single-choreographer company, Mr. Reinhart believes.

Mr. Lloyd agrees: "This kind of audience can become interested and renewable only if it has a choice narrowed down to repertoires in one or two companies."

Ballet Points the Way

Mr. Reinhart commented: "It is interesting to me that the only major modern-dance company with successful long seasons in New York is Alvin Alley whose structure is more the structure of a ballet company. It is more of a repertory company."

The Marathon concept of bringing 20 companies together under one roof with shared programs is a step toward this repertory idea, Mr. Reinhart said.

Yet the idea of sharing programs with other companies encountered resistance from some choreographers in the Marathon, who expressed fear "that if someone else's work on the same program was not good, it would affect their work," Mr. Reinhart said.

"I don't buy the idea," he added, "that the public looks at a dance work with the concept of a work that came before or after. It doesn't on a ballet program. Ballet is so ahead of us organizationally. We must start climbing out of the womb."



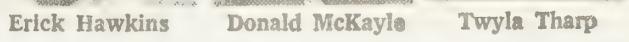
Rod A. Rodgers



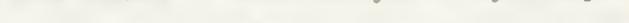
Yurika



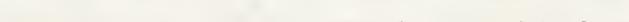
Eleo Pomere



Erick Hawkins



Donald McKayle



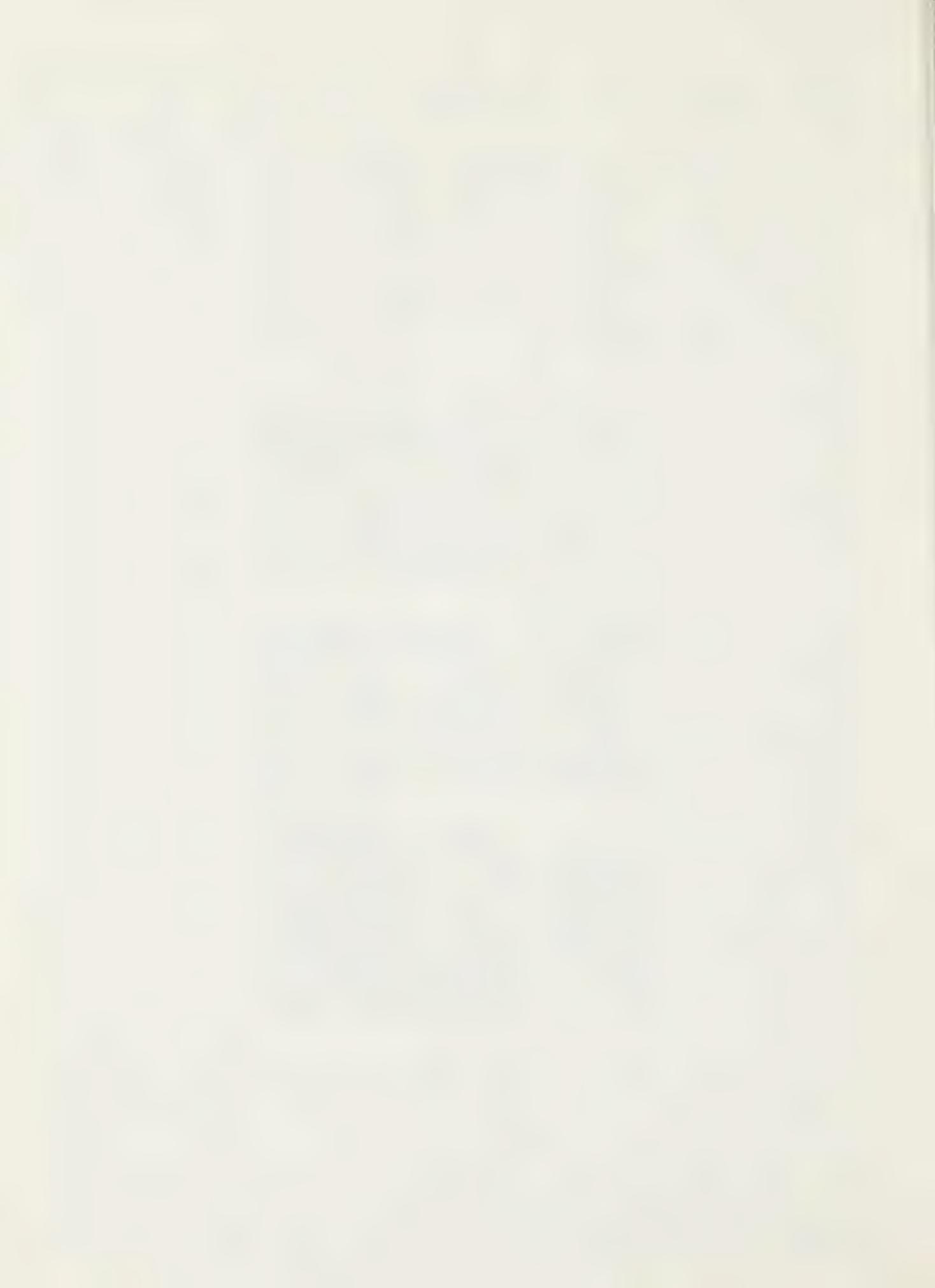
Twyla Tharp

says now. "I can work just as seriously with no belligerence, no aggressiveness. I wouldn't mind if some saw a theme in my new piece. I'm now for letting the audience in on as much as I can."

Viola Farber, a choreographer who appears more interested in movement than dramatic incident, noted that in "Dune," a recent piece, "the situation is not drama in the formal sense." To her

been the cause of its fragmentation, which makes problems of attracting a large audience and insuring the survival of modern dance's masterworks.

These problems, in Mr. Reinhart's view, are central to the presentation of modern dance. The classics, he believes, will disappear with their creators unless they are performed in a repertory situation by other companies. He points out that, with the



APPENDIX

ORGANIZING AND MANAGING A PROTOTYPE

DANCE ORGANIZATION

The purpose of this Appendix is to provide a brief outline of some of the factors to be considered in thinking about the organization and management of a dance organization. In addition, we have tried to include some specific concepts and actual approaches which have in the past proven to be practicable. Our comments relate most directly to a large dance company (or to large performing art companies, in general). However, the basic principles of organization and management touched on are universally applicable.

The material is developed in four sections:

- ¶ Understanding the milieu
- ¶ Defining the key factors for success
- ¶ Developing a sound organization
- ¶ Moving towards planning and control.

Understanding the Milieu

Before anything can be decided on the organization front, it is first necessary to decide what the organization is intended to do. This of course is a cardinal rule of basic organization design theory. In the performing arts world, it is usually agreed that the primary goal is artistic excellence within the constraints posed by the economic realities. So a pragmatic management might state its primary goal as follows: "To achieve the highest in artistic excellence while breaking even."

Clearly, attaining this goal is a tough job. Three kinds of problems confront the management:

- ¶ The environment is complex. Financial pressure is unremitting, thanks to the "income gap" phenomenon. The organization must try to serve a wide variety of "publics", including granting agencies, private and public donors, and its audience. This places a heavy onus on clear thinking and good public relations. Artistic organizations live in a goldfish bowl.

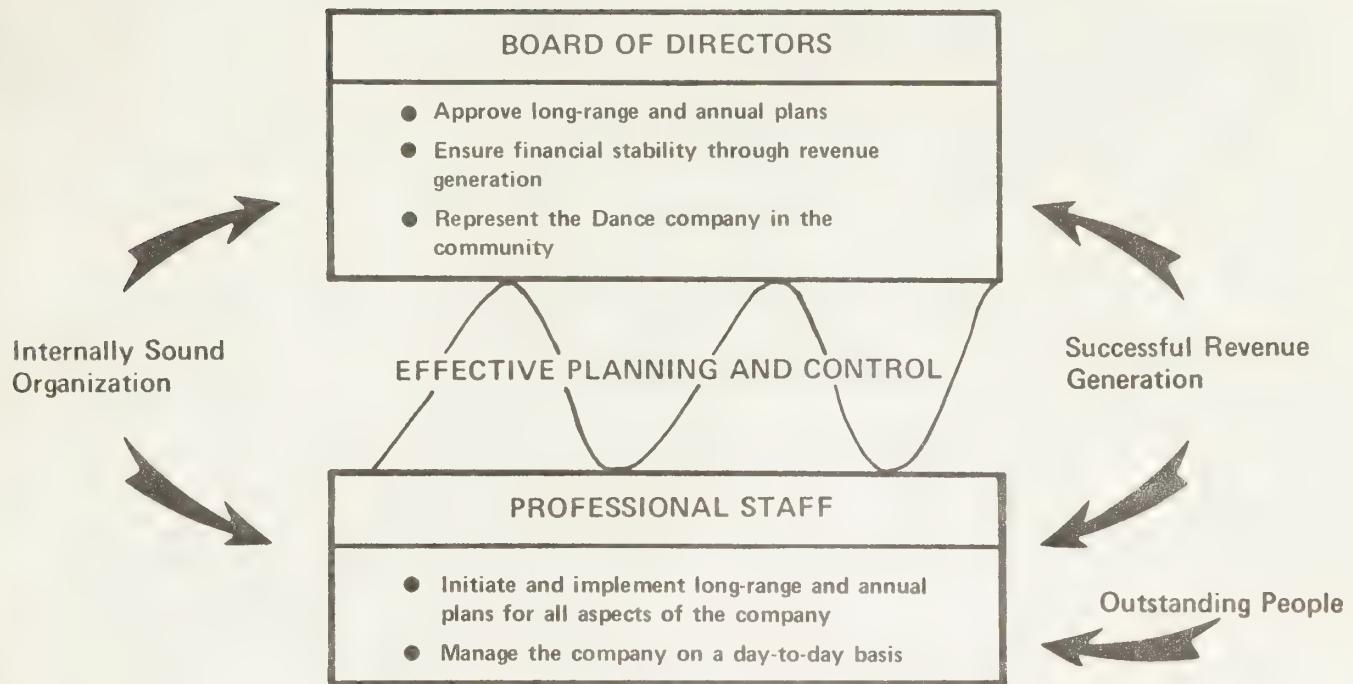
- ¶ Basic activities are hard to manage and measure. The artistic "product" is very fragile, and good product components (e.g., performers, choreographers) are scarce. Crises are common and well laid plans are often upset - say, by physical injuries. Assuming the "show goes on", unequivocal results are tough to come by. Commercial organizations get their results in black or red, quarterly or even monthly. But arts organizations must rely on a consensus formed from the highly subjective flux of critical and other individual opinion.
- ¶ Basic organization is unusual. A kind of tension frequently exists between the artistic and administrative sides of the house on the one hand; and, on the other, between the full-time organization and its board of directors. These tensions are not necessarily bad - they can be healthy and productive - but sometimes they can be debilitating and destructive.

Defining the Key Factors for Success

With this background in mind, it is possible to identify the key factors for success - that is, the few basic things that a company must do well if it is to be successful in achieving its artistic objectives and remaining economically viable. The successful company will satisfy these four requirements:

1. Sound organization
2. Effective planning and control processes
3. Successful revenue generating capability
4. Outstanding professional staff.

These four key factors for success come together in our concept of an effectively organized and managed dance company, illustrated diagrammatically on the following page.



The remainder of this Appendix provides suggestions on what is involved in developing a sound organization and in moving toward better planning and control.

Developing a Sound Organization

A sound organization is one in which "basics" are well taken care of. Specifically, a well defined structure will exist; and people in the organization will have a clear understanding of their roles and responsibilities. Careful attention to these basic elements is vital to any organization's well-being. And, because of the complex and challenging arts milieu, it is especially important to arts organizations. Yet, as we point out in Chapter 2 of our report, the performing arts, including the dance, are not on the whole especially well organized or managed.

No two organizations, of course, will be exactly alike in terms of structure or the roles and responsibilities of people. Each faces somewhat different challenges, has its own aims and objectives, and must rely on individuals with varying degrees of skills and commitments. However, a number of general points can be made about a prototype organization.

1. Explicit agreement on basic structure must be worked out and formally agreed to by the three basic components of the organization: artistic, administrative, and board. We have found that people in artistic organizations tend to resist the idea of formal structure, offering allusions to the need for "flexibility" and an "organic" system to ebb and flow with the special problems - and so on. They have made the right diagnosis: the arts milieu is unique. But they have drawn the wrong conclusions: that very uniqueness makes formal organization structure very important.

An aphorism attributed to Rudolf Bing sums up the structural problems nicely - "every artistic decision has a financial implication; every financial decision an artistic implication". This means that the artistic and administrative people will have to work together. An effective structure will have the right number of "boxes" to get the work done; and provide realistic and sufficiently flexible lines of authority. For the full-time organization, there may be one "boss" (artistic or administrative head) or two (both); but never more. Below the "boss(es)", the organization's structure will be worked out to satisfy the basic principles of common sense and effectiveness in getting the work done. In general, artistic activities will fall under the artistic leader and administrative under the head administrator.

The board structure will also vary depending on size and the skills and commitments of its members. Generally speaking, it will have one "boss", and the least number of committees consistent with accomplishing the different kinds of functional and program tasks it faces.

2. Explicit agreement to each organization member's basic role and responsibilities must be worked out and formally agreed to by the management and board. Failure to do this results in uncertainties and confusions which can and do lead to real problems in getting the job done. For example, a dance company's recent failure to pin down the reporting relationship and the role and responsibilities of a key management person was directly responsible for internal dissension which polarized the organization and, for a while, made it practically impossible to get on with the job. Management and the board have since worked out an agreement on the basic issues, and things have returned more or less to normal.

As discussed, the exact roles and responsibilities of each organization's people will vary according to circumstance. However, we can suggest general guidelines for the three main components of an organization:

- Artistic Director

- . Takes the lead in developing long-run artistic plans
- . Works closely with Administrative Director to ensure short-term practicability of creative plans
- . Monitors progress against long-term plan, initiating corrective action, when required
- . Ensures adequate complement of highly skilled people in artistic area
- . Fosters understanding of company's basic goals among board
- . Directs all activities directly related to artistic side.

- Administrative Director

- . Takes the lead in developing annual operating and all financial plans
- . Works closely with Artistic Director to add "commercial" perspective to artistic plans
- . Monitors activities against agreed budget and recommends corrective action, when required
- . Ensures adequate complement of highly skilled talent in his jurisdiction
- . Communicates regularly with board on financial status
- . Directs all activities not directly related to artistic side.

- Board of Directors

- . Approves long-range and annual plans
- . Ensures financial stability through revenue generation
- . Represents the company in the community at large.

The nature and productivity of the relationship between the full-time staff and its board of directors can most often be taken as a reliable indicator of the company's organizational soundness. That is, the quality of this relationship will vary directly with the thoroughness with which the principals have taken care of the needs for a well-defined organization structure and clearly established individual roles and responsibilities. If arts management are to be "delivered from members of boards of art organizations who know nothing and will believe anything, who know something but do nothing, and who don't know their brass from their oboe" (from Peter Dwyer's "A Prayer of Deliverance"), they will take the lead in working out these matters.

Moving Towards Better Planning and Control

To begin with, some definitions of these fundamental management activities. Simply put, planning is the act of thinking through in advance an organization's aims and objectives and developing sound, strategically based and adequately resourced programs, to achieve those aims and objectives. The result of this effort (which is naturally enough called the planning process) is a written plan documenting everything. Two kinds of plans are generally useful: short term (usually 1 year), and long term (say 2 to 3 years out).

There are many benefits to both short- and long-term planning which make the effort worthwhile. They can be summarized as follows:

SHORT TERM

- Reduces crises by anticipating them
- Helps minimize artistic/business tension at staff level by clarifying responsibilities
- Permits more objective assessment of administrative achievements
- Helps ensure best application of scarce resources.

LONG TERM

- Permits wide discussion of broad goals throughout the organization
- Improves chances of making things happen - e.g., tours, fund raising
- Identifies many major problems and opportunities well in advance
- Helps ensure best application of scarce resources.

More generally, effective management of a company (i.e., effective planning and control) enables each person in the organization to concentrate fully on his own role and responsibilities. For example, once a company's plans are developed and agreed to by the management and board, the management is free to run things on a day-to-day basis. The plans provide them with an approved framework

for action. The board, in turn, can concentrate on its important responsibilities, freed from the need to second-guess or play "armchair quarterback".

This basic approach to management is widespread in the business world. The arts world is well-advised to follow suit.

A short-term plan will be an action plan for a company, usually for a fiscal year. The example below illustrates one way in which plans to ensure an adequate complement of dancers could be summarized. The summary has three important attributes, since it:

- ¶ Identifies an activity in specific, actionable terms
- ¶ Assigns responsibility for the activity
- ¶ Sets a due date or time limit.

DANCERS		
Key Steps	Main Responsibility	Due Date
1. Assess next year's dancer supply and determine likely shortfall	Artistic Mgmt.	January
2. Assuming shortfall, hold auditions and hire accordingly	" "	Feb-June
3. Hold individual discussions with current dancers	" "	Jan-April
4. Update dancer shortfall estimates	" "	Ongoing
5. Negotiate contracts with dancers	Administrator	Jan-April

A long-term plan will be more general in content and spells out a company's basic intentions. It will document principal intentions and indicate the resources which will be required. In this way, the long-term plan provides a focus beyond the season at hand. In so doing, it provides a kind of road map which spells out where the company wishes to go and indicates what must be done to ensure its arrival. A sample long-term plan is shown on the next page.

SAMPLE LONG-TERM PLAN . . .

THESE ITEMS IN THIS LEVEL OF DETAIL
OVERALL MISSION & GOALS	<ul style="list-style-type: none"> Where the company is trying to go artistically
REPERTOIRE	<ul style="list-style-type: none"> Kinds of productions that should be added and priorities for which they should be/who choreographs them <u>Number</u> of new productions and order of magnitude
LOCATIONS	<ul style="list-style-type: none"> Recurring engagements that the company will maintain Kinds of tours that should be taken and priorities as to specifically which they should be
PROGRAMMING MIX	<ul style="list-style-type: none"> Intended balance between different kinds of programs Intended mix of classical and contemporary works
SPECIAL ACTIVITIES	<ul style="list-style-type: none"> New educational efforts to be undertaken, if any Efforts to promote Canadian choreography, if any Attempts to broaden audience base, if any
MANPOWER	<ul style="list-style-type: none"> Number of dancers and why Size of artistic and business staffs, focusing on rationale for any new positions Plans for providing backup to Artistic and Administrative Directors
FINANCIAL IMPLICATIONS	<ul style="list-style-type: none"> Pro-forma budgets for the number of years involved Special efforts required in discrete revenue categories like sponsorship

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